

Beaumont-Cherry Valley Water District

2018 Operating Budget



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Introduction Section



Executive Summary

Honorable Board of Directors:

Staff is pleased to present the Beaumont-Cherry Valley Water District Fiscal Year 2018 Operating Budget to the Board of Directors. For the past five years, the Beaumont-Cherry Valley Water District (District) has been on a journey of stabilization which included the development of integral plans: an Urban Water Management Plan, a Potable Water System Master Plan, a Non-Potable Water System Master Plan and a 10-Year Capital improvement Plan. The journey of stabilization also included strategic focuses on balance sheet integrity including providing for adequate reserves, timely reporting, cash management and a staff with qualified skill sets. These represent a few of the strategic developments and focuses over the last five years.

Although we have been successful in the journey of stabilization, the District is now beginning a journey of advancement, improvement and facility construction including building relationships with Developers, local community partners, the District's Board and the District's staff.

In that regard, staff is pleased to present the Beaumont-Cherry Valley Water District Fiscal Year 2018 Operating Budget to the Board of Directors. Major goals for the District during this period are:

- Assure adequate water supplies for existing customers as well as anticipated growth.
- Comply with State mandates for water conservation.
- Create opportunities for the use of recycled water.
- Complete the District's Non-Potable Water System Master Plan.
- Complete and implement a revised Capacity Fee (Facility Fee) Study.
- Initiate an update to the District's Water Rate Study (last study expired in 2015).
- Continue updates to the District's GIS system.
- Implement salary adjustments based on the Koff & Associates Compensation Study.
- Reorganize staff titles and duties to support enhanced capital improved project coordination and developer project coordination and the development of systemic project costing and tracking.
- Maintain balance sheet integrity by enhancing the District's Reserve Policy, a continuing focus on cash and investment management, staying ahead of changes to the calculation of and reporting of Pension and OPEB liabilities.
- Continue with the development of enhanced District reporting schemes.

The Capital Improvement Budget will be presented, as a separate budget, at the January or February, 2018 Board Meeting. The focus of the Capital Improvement Budget will be on master-planned facilities, implementation of a non-potable water system, improved information technology/telemetry systems, the replacement of aging infrastructure including well pumping facilities and pipelines and replacing vehicles and equipment whose productive lives have expired.

The budget was prepared after considering major policy issues that impact District revenues such as reasonable water conservation efforts and changes in the local rate of development.

The fundamental theme of the document is to present a balanced Budget with conservative estimates for revenues and realistic expense projections.

Revenues

The revenue numbers presented assume a conservative estimate of approximately 10,620 acre feet of both potable and non-potable water delivered to our 17,795 connections. This projection is based on the continuation of reasonable conservation efforts. Should declines in consumption occur, a rate adjustment may be necessary to keep revenues in line with expenses. Capacity (facilities) fees are used as the funding basis for capital improvement projects that are necessary to provide for demand from growth.

Expenses

The labor and benefit costs presented include the first year of a proposed three-year implementation of defined wage increases and corresponding benefit increases resulting from recommendations of the Koff & Associates 2017 Compensation Study and the District's Personnel Committee. Labor costs and corresponding benefits for positions not affected by the Compensation Study were increased by 1.9% as a cost of living (COLA) adjustment based on the comparison of the Consumer Price Index (CPI) from August 2016 to August 2017. State Project Water Purchases in 2018 are being increased by approximately \$800,000 in anticipation of additional water availability to make up for recent limitations of availability primarily due to California's drought conditions.

Summary

In summary, staff is proposing a balanced budget that has estimated total revenues of \$18,161,441, which includes \$12,874,965 of operating revenues, \$5,016,541 of facilities charges, and \$269,935 of other non-operating revenues. The estimated total operating expenses of \$13,718,669 are balanced with operating revenues and other non-operating revenues, which provide for a contribution of \$1,981,012 to capital replacement reserves. The budgeted expenses include changes in wages and benefits, power costs, and purchases of State Water Project water, among other things. The fiscal year 2018 budget utilizes the same assumptions as the 2017 budget including projected actuals from the prior period as a basis.

The District continues to be debt free.

Cash Position Report As of October 31, 2017

Cash Balance Per Account

Account Name	Account Ending #	October 31, 2017	December 31, 2016
Wells Fargo			
Accounts Payable	9810	0	0
Payroll	4160	0	0
General Fund	4152	12,151,971.17	14,904,376.67
Total Cash		<u>\$ 12,151,971.17</u>	<u>\$ 14,904,376.67</u>

Investment Summary

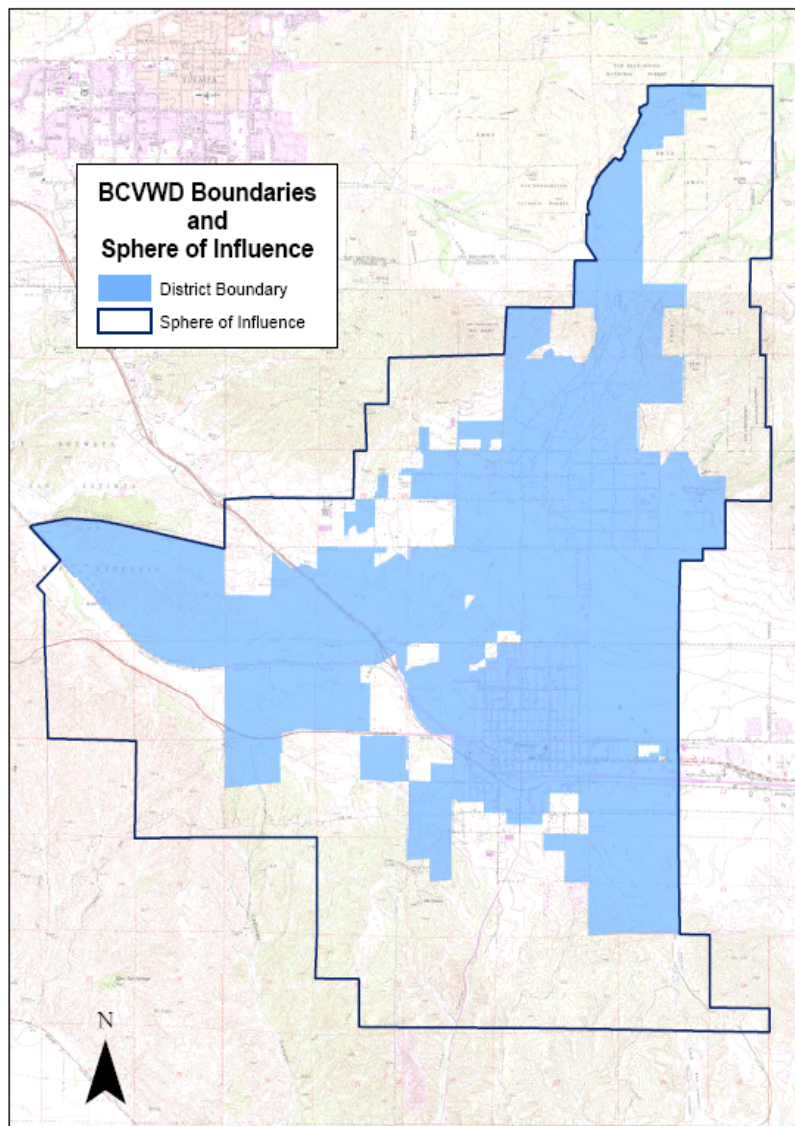
Account Name	October 31, 2017	December 31, 2016	Balance
Ca. State Treasurer's Office: Local Agency Investment Fund	24,134,278.69	23,927,221.72	
CalTRUST Short Term Fund	11,480,276.64	-	
Total Investments	<u>\$ 35,614,555.33</u>	<u>\$ 23,927,221.72</u>	
Total Cash and Investments	<u>\$ 47,766,526.50</u>	<u>\$ 38,831,598.39</u>	<u>\$ 8,934,928.11</u>

Background

The Beaumont Irrigation District was formed in March of 1919 under the Wright Act of 1897.

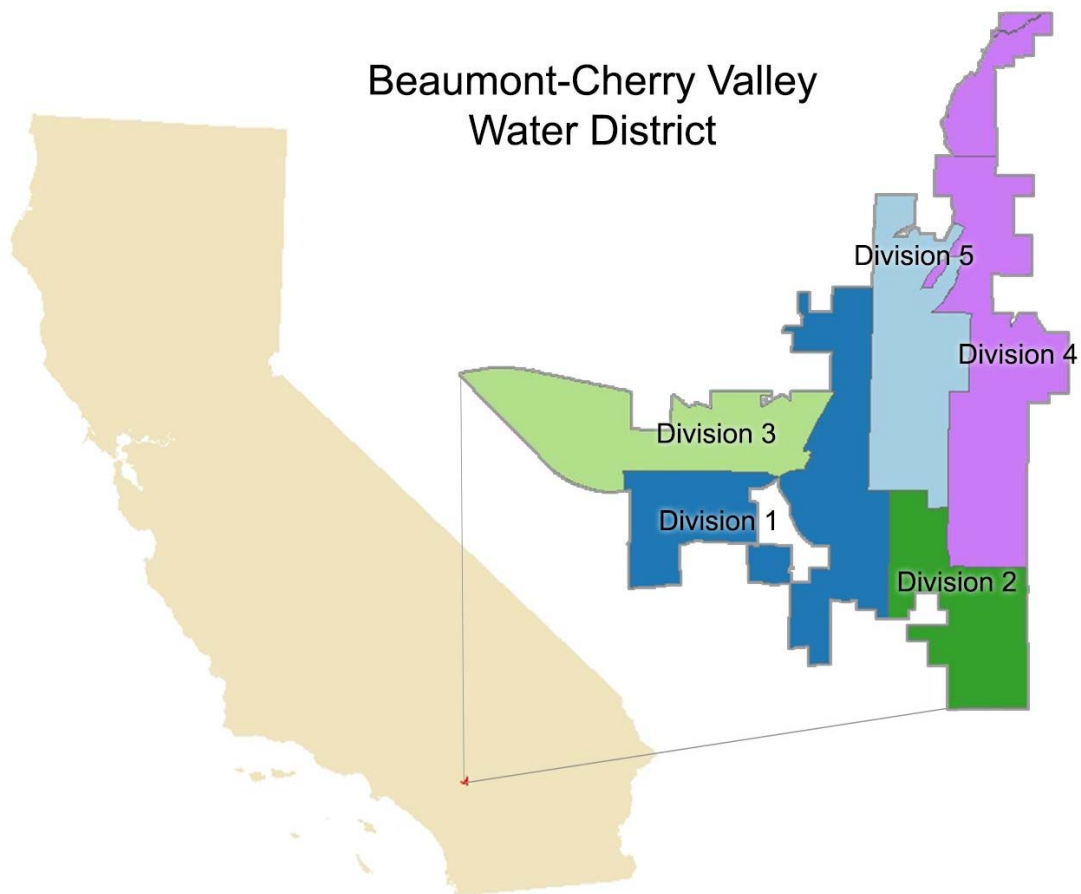
Over many decades, the water system of the Beaumont-Cherry Valley Water District has evolved from a small privately owned company to the system today that serves over 48,000 residents in both the City of Beaumont and the Community of Cherry Valley.

The District's service area is approximately 28 square miles with a majority of the area within the communities of Beaumont and Cherry Valley. The system is served exclusively by ground water using 23 wells. Recharge of the basin is accomplished using imported State Project Water at the District's recharge facilities. A total of 22.85 million gallons of potable and 2 million gallons of non-potable water storage provide peak demand and fire protection reserves. The water distribution system is comprised of over 100 miles of potable water lines and about 40 miles of non-potable water lines (including transmission and distribution lines) from 2 to 36 inches in diameter.



Organization

Constituents of the District are represented by a five member Board of Directors from five separate divisions. Members of the community vote for all District Directors regardless of where they live in the District. The Board of Directors meets monthly on the second Wednesday. Each year the Board of Directors adopts an operating budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operation and accountability for District funds.



Basis of Budgeting and Accounting

The District reports its activities as an Enterprise Fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise. It is the intention of the District to recover the full-costs of providing goods and/or services through the collection of user charges. Thus, user charges are commensurate with the cost to provide service.

Actual revenues and expenses, reported in this document, are recognized on the accrual basis of accounting in conformity with Generally Accepted Accounting Principles (GAAP). Consequently, revenues are recognized in the accounting period in which they are earned and expenses are recognized in the accounting period incurred.

Budget Control and Amendment

The General Manager is responsible for keeping the expenses within budget allocations and may adopt budget policies necessary to carry out that responsibility. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board or reallocated by the General Manager as described in this budget.

The General Manager may exercise discretion in the administration of the Budget to respond to changed circumstances, provided that any single modification in excess of \$50,000 shall require approval by the Board. All budget transfers are documented and tracked in the District's computerized financial system and reported to the Finance and Audit committee at their regular meetings on the first Thursday of each month.

The General Manager may authorize the hiring of full-time staff as necessary, as long as the position or classification has been authorized by the Board. In addition, the General Manager may authorize the hiring of temporary or part-time staff as needed.

In the event that the General Manager determines that an emergency exists requiring immediate action, the General Manager shall have the power, without prior Board action, to enter into contracts and agreements and expend funds on behalf of the District to ensure continuity of District operations per the Operations Policies and Procedures Manual, Section 1(F), Emergency Preparedness Authorization during District Emergencies.

Financial Section

Budget Summary and Detail by Department



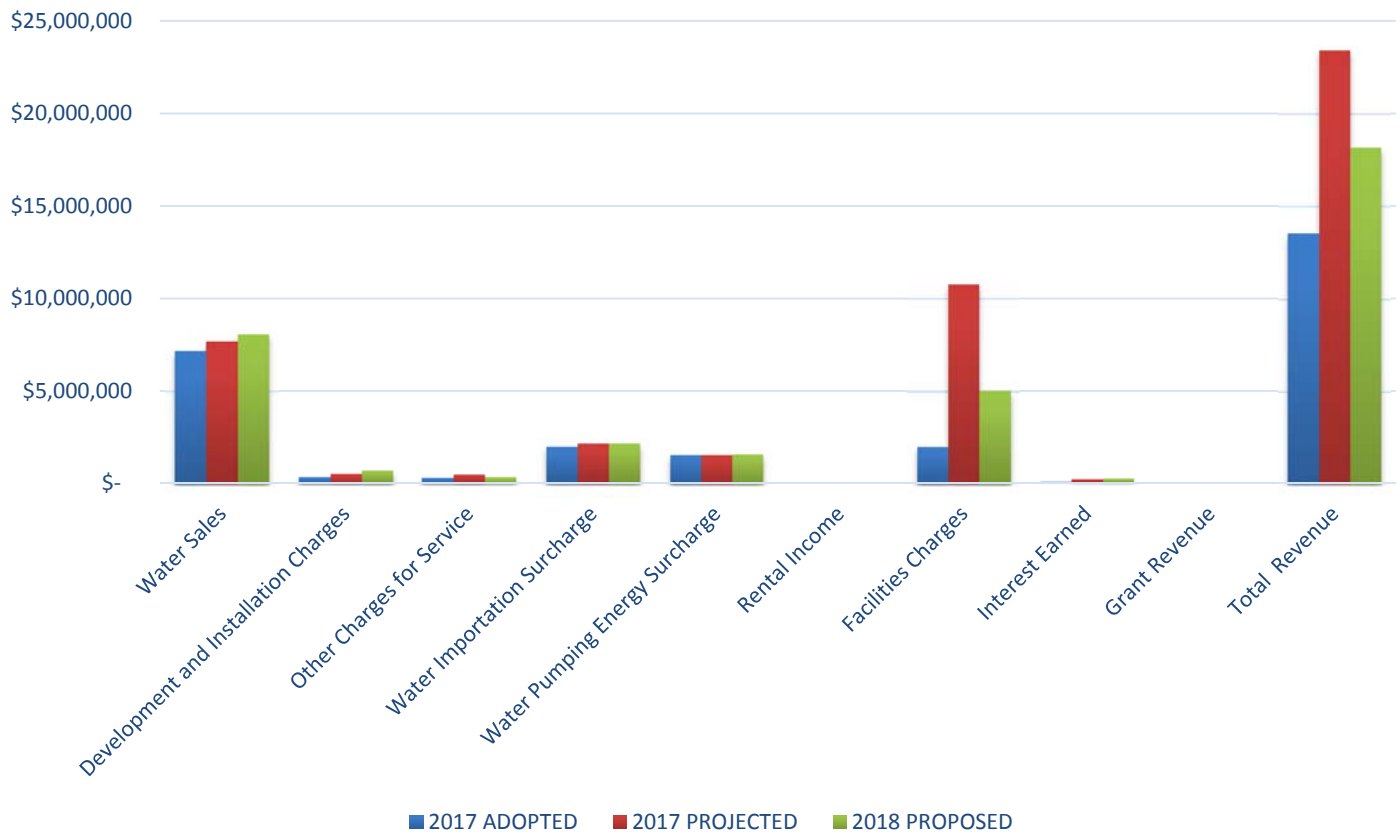
Financial Summary

Overview

The District utilizes the accrual basis of accounting, recognizing revenues and expenses in the period in which they are earned and incurred, respectively.

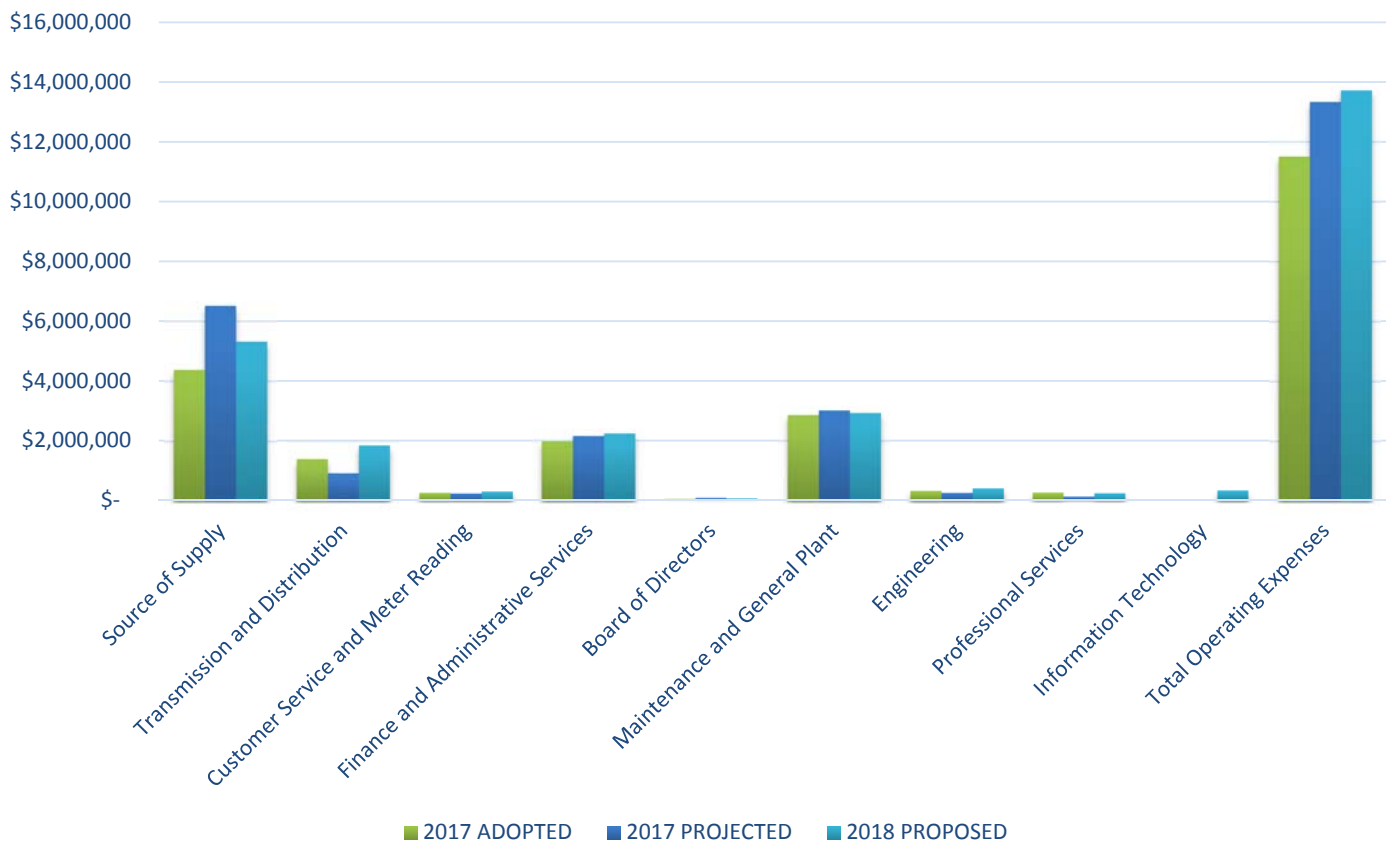
	2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	Increase/ (Decrease)
Operating Revenue				
Water Sales	\$ 7,161,835	\$ 7,690,644	\$ 8,079,388	\$ 917,553
Development and Installation Charges	375,000	524,906	720,600	345,600
Other Charges for Service	328,030	513,987	348,534	20,504
Water Importation Surcharge	2,000,000	2,159,391	2,160,000	160,000
Water Pumping Energy Surcharge	1,550,000	1,549,128	1,566,443	16,443
Total Operating Revenue	\$ 11,414,865	\$ 12,438,056	\$ 12,874,965	\$ 1,460,100
Non-Operating Revenue				
Rental Income	\$ 18,520	\$ 19,264	\$ 20,577	\$ 2,057
Facilities Charges	2,026,900	10,777,952	5,016,541	2,989,641
Interest Earned	82,400	214,724	249,358	166,958
Grant Revenue	0	0	0	0
Total Non-Operating Revenue	\$ 2,127,820	\$ 11,011,939	\$ 5,286,476	\$ 3,158,656
Total Revenue	\$ 13,542,685	\$ 23,449,995	\$ 18,161,441	\$ 4,618,756

REVENUE SUMMARY

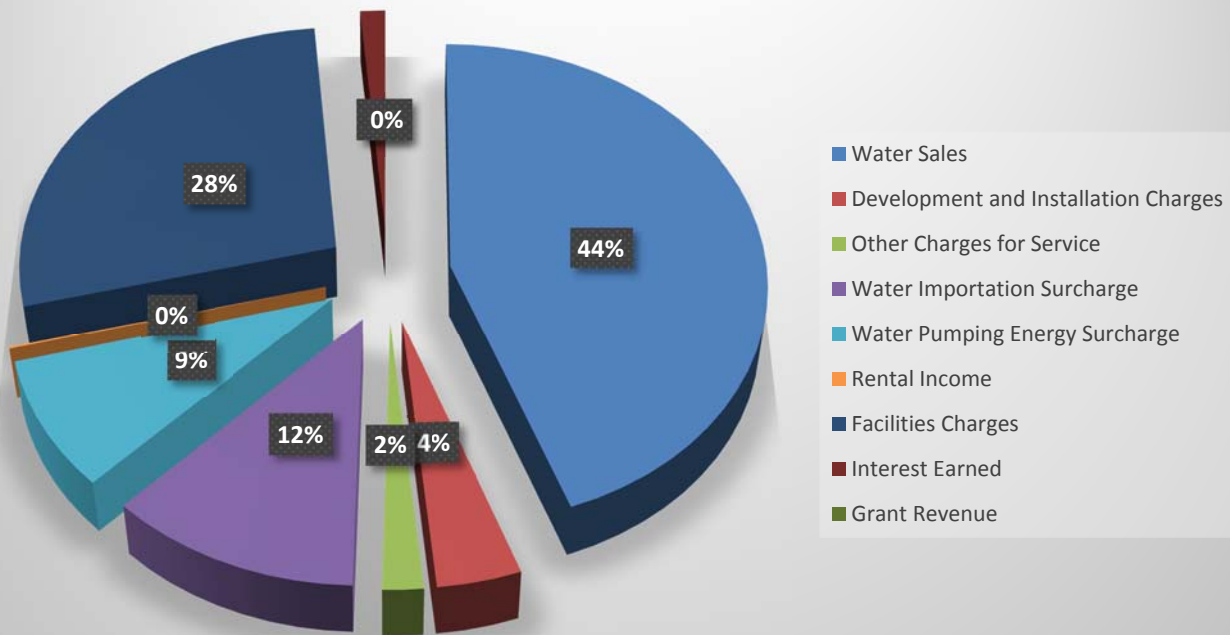


	2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	Increase/ (Decrease)
Operating Expenses				
Source of Supply	\$ 4,374,025	\$ 6,509,837	\$ 5,330,765	\$ 956,740
Transmission and Distribution	1,395,148	919,743	1,843,114	447,966
Customer Service and Meter Reading	268,720	252,101	317,373	48,653
Finance and Administrative Services	1,976,028	2,160,526	2,239,320	263,292
Board of Directors	49,245	84,225	69,680	20,435
Maintenance and General Plant	2,859,246	3,012,382	2,929,108	69,862
Engineering	331,764	267,217	411,357	79,593
Professional Services	261,610	135,192	249,000	(12,610)
Information Technology	0	0	328,952	328,952
Total Operating Expenses	\$ 11,515,786	\$ 13,341,224	\$ 13,718,669	\$ 2,202,883
 Total Revenue	 \$ 13,542,685	 \$ 23,449,995	 \$ 18,161,441	 \$ 4,618,756
Total Expenses	\$ 11,515,786	\$ 13,341,224	\$ 13,718,669	\$ 2,202,883
Net Increase/(loss)	\$ 2,026,899	\$ 10,108,771	\$ 4,442,772	\$ 2,415,873

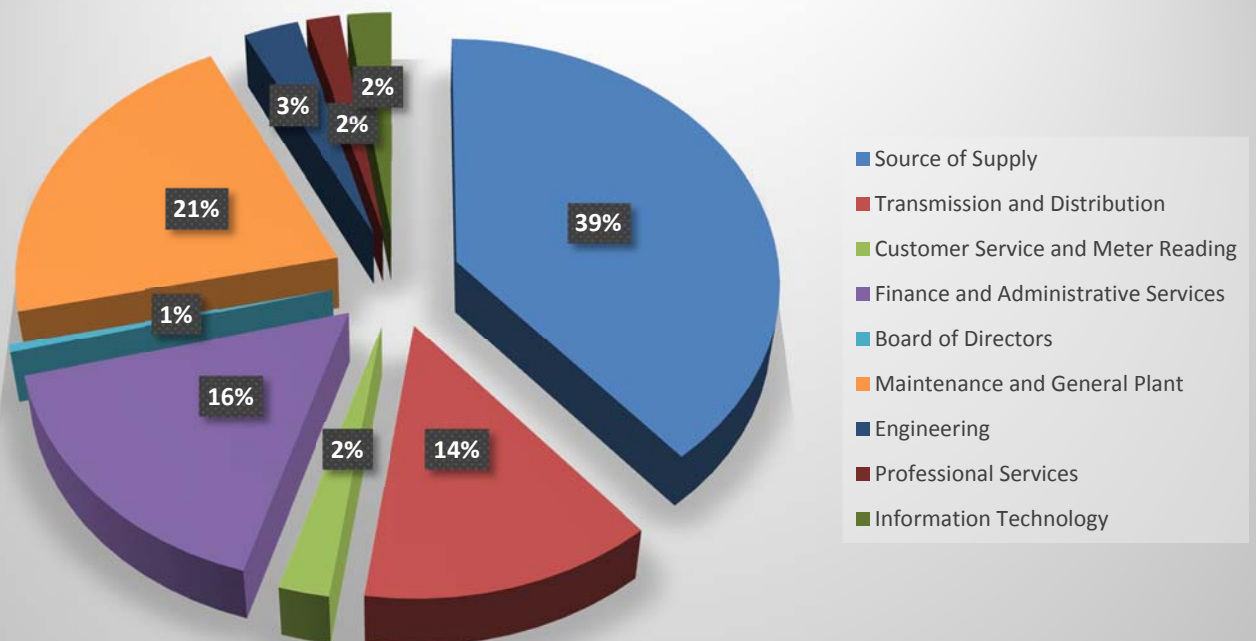
EXPENSE SUMMARY



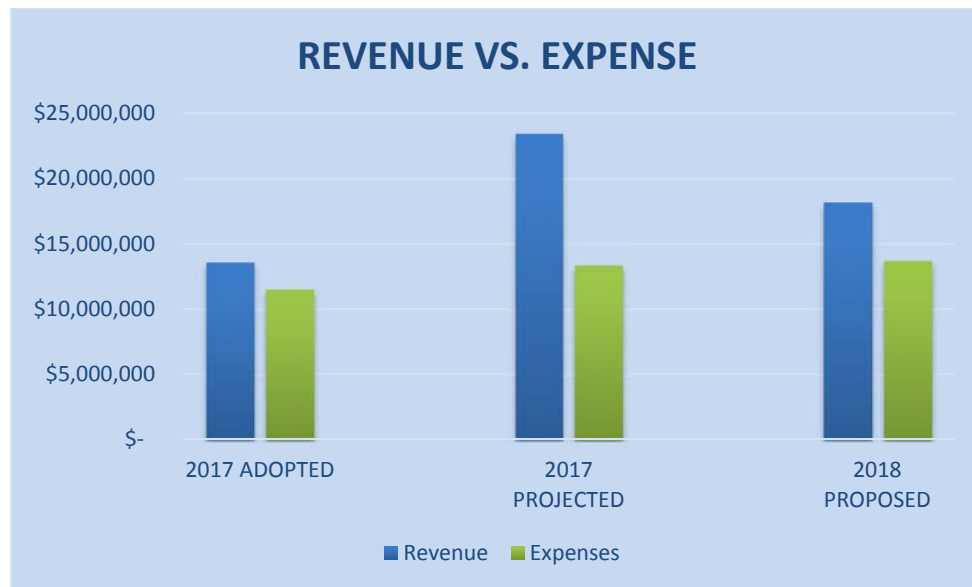
2018 PROPOSED REVENUE



2018 PROPOSED EXPENSES



	<u>2017 ADOPTED</u>	<u>2017 PROJECTED</u>	<u>2018 PROPOSED</u>
Revenue	\$ 13,542,685	\$ 23,449,995	\$ 18,161,441
Expenses	\$ 11,515,786	\$ 13,341,224	\$ 13,718,669



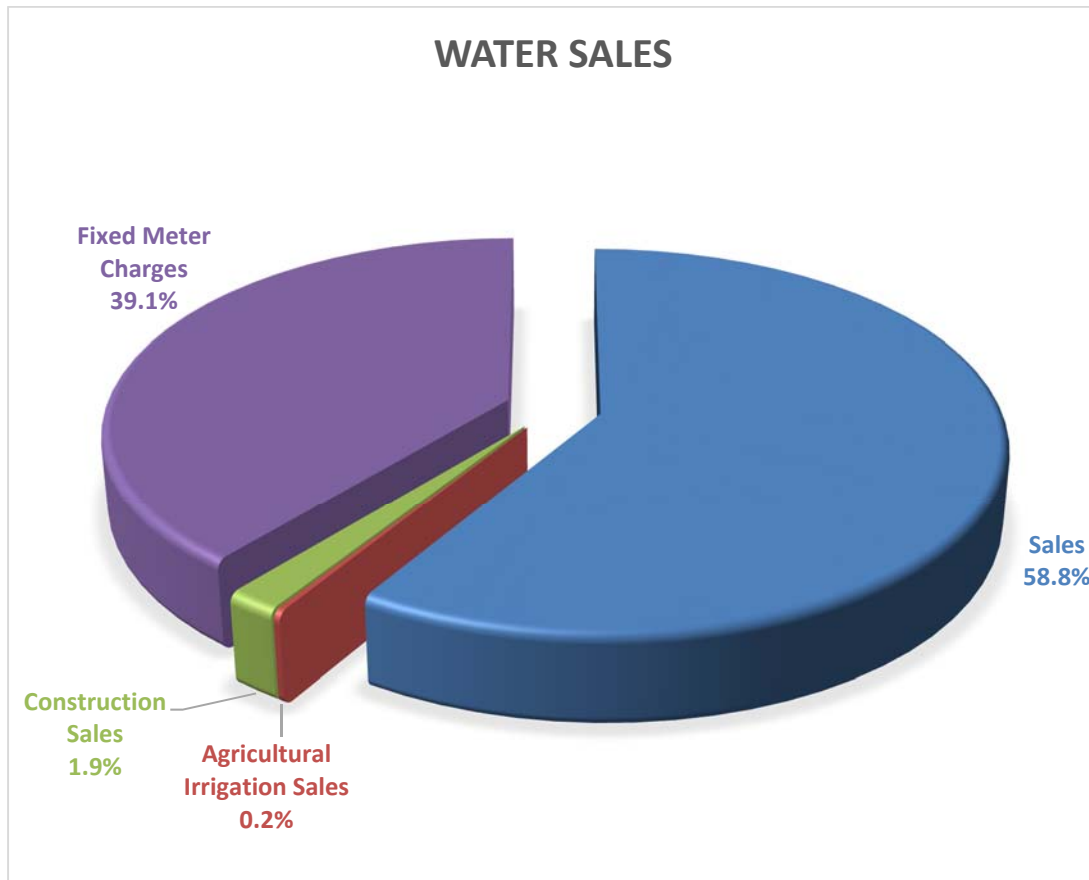
Revenue Detail

OPERATING REVENUE

Water Sales

The District produces potable water for sale to seven customer classes; single family residential, multifamily residential, commercial, industrial, irrigation, agricultural irrigation, and other. Most customers are billed on a bi-monthly cycle based on the amount of water usage, which is metered and measured in hundred cubic feet (HCF) where 1 HCF is equal to 748 gallons. Proposed water sales for 2018 are \$8,079,388, a 5.1 percent increase above projected sales for 2017 with potable water usage estimated at 10,620AF for 2018.

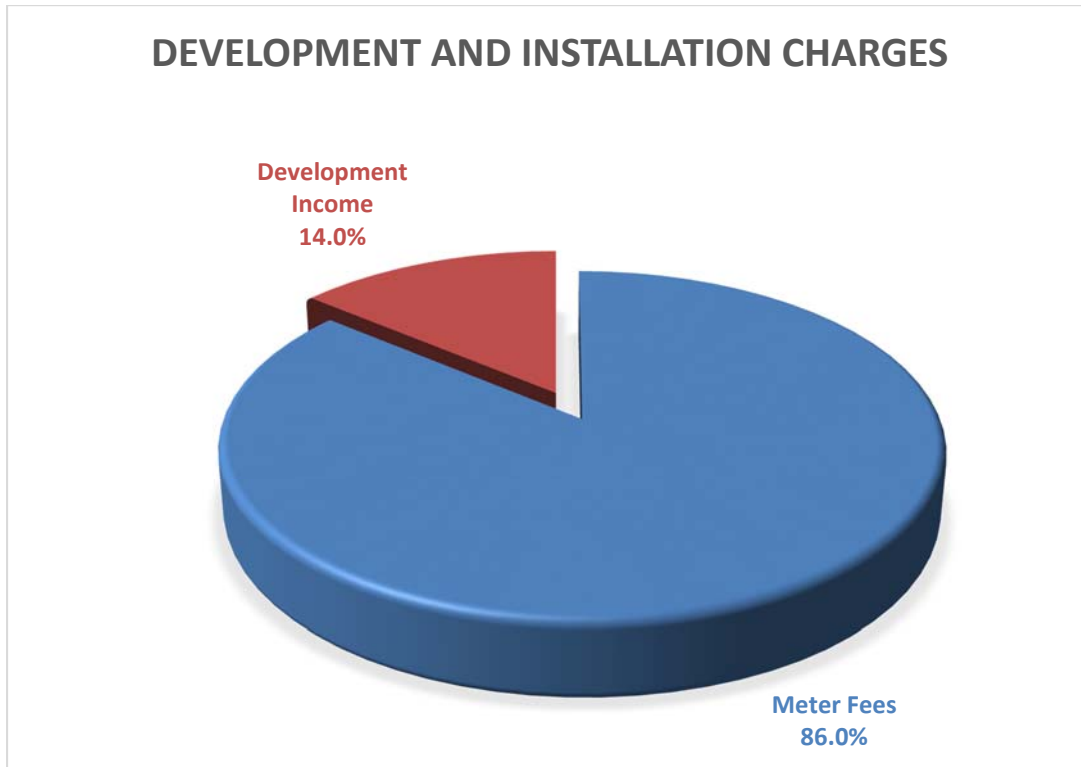
		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
Water Sales					
01-50-510-410100	Sales	\$ 4,200,000	\$ 4,649,637	\$ 4,750,617	\$ 550,617
01-50-510-410151	Agricultural Irrigation Sales	\$ 25,500	\$ 24,573	\$ 20,000	\$ (5,500)
01-50-510-410171	Construction Sales	\$ 150,000	\$ 103,099	\$ 150,000	\$ -
01-50-510-413011	Fixed Meter Charges	\$ 2,786,335	\$ 2,913,334	\$ 3,158,771	\$ 372,436
		<u>\$ 7,161,835</u>	<u>\$ 7,690,644</u>	<u>\$ 8,079,388</u>	<u>\$ 917,553</u>



Development and Installation Charges

The District incurs engineering, legal and administrative costs associated with new development, which are charged against deposits collected and recorded as revenue. The District also collects deposits for new service installations, which are recorded as revenue against the deposits when the services are installed. Proposed development and installation charges for 2018 are \$720,600, a 37.3 percent increase above projected charges for 2017, and are based on conservative estimates of new development growth in addition to an anticipated increase in the fee charged per new service installation.

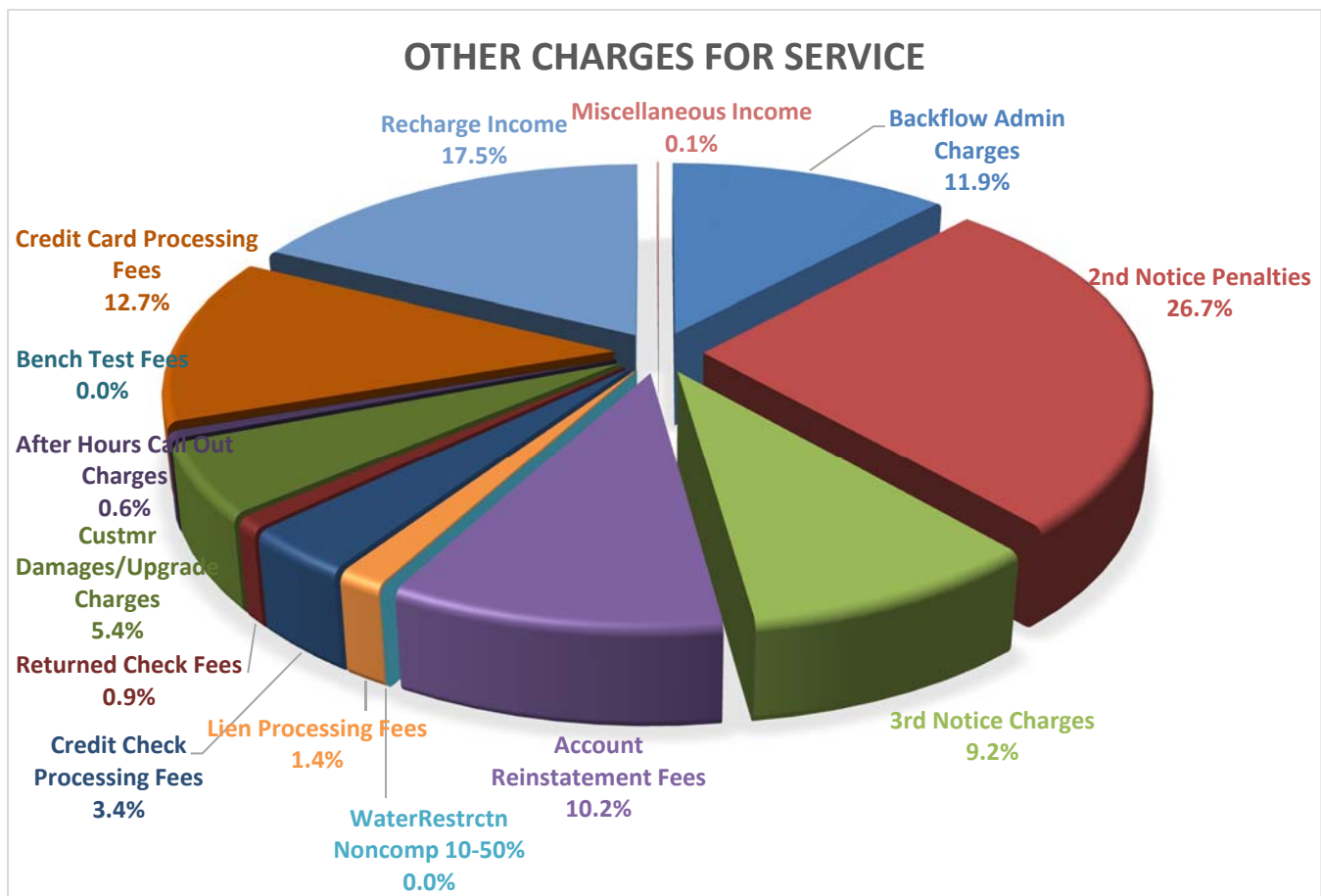
		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
Development and Installation Charges					
01-50-510-413021	Meter Fees	\$ 275,000	\$ 414,666	\$ 619,974	\$ 344,974
01-50-510-419011	Development Income	\$ 100,000	\$ 110,240	\$ 100,626	\$ 626
		<u>\$ 375,000</u>	<u>\$ 524,906</u>	<u>\$ 720,600</u>	<u>\$ 345,600</u>



Other Charges for Service

Other Charges for Service include many of the user fees customers pay to utilize specific services such as account reinstatement fees, past due notices and other service fees. The proposed charges for 2018 are \$348,534, a 32.2 percent decrease from projected charges for 2017, due to anticipated decreases in recharge income and miscellaneous income.

		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
Other Charges for Service					
01-50-510-413001	Backflow Admin Charges	\$ 30,000	\$ 40,806	\$ 41,501	\$ 11,501
01-50-510-417001	2nd Notice Penalties	\$ 90,000	\$ 92,230	\$ 93,072	\$ 3,072
01-50-510-417011	3rd Notice Charges	\$ 32,000	\$ 34,355	\$ 32,000	\$ -
01-50-510-417021	Account Reinstatement Fees	\$ 65,000	\$ 66,650	\$ 35,490	\$ (29,510)
01-50-510-417030	WaterRestrctn Noncomp 10-50%	\$ -	\$ 204	\$ -	\$ -
01-50-510-417031	Lien Processing Fees	\$ 5,000	\$ 5,900	\$ 5,000	\$ -
01-50-510-417041	Credit Check Processing Fees	\$ 8,000	\$ 11,055	\$ 12,000	\$ 4,000
01-50-510-417051	Returned Check Fees	\$ 2,000	\$ 2,900	\$ 3,000	\$ 1,000
01-50-510-417061	Custmr Damages/Upgrade Charges	\$ 15,000	\$ 19,007	\$ 18,819	\$ 3,819
01-50-510-417071	After Hours Call Out Charges	\$ 600	\$ 1,700	\$ 1,931	\$ 1,331
01-50-510-417081	Bench Test Fees	\$ 180	\$ 72	\$ -	\$ (180)
01-50-510-417091	Credit Card Processing Fees	\$ 35,000	\$ 41,493	\$ 44,381	\$ 9,381
01-50-510-419021	Recharge Income	\$ 45,000	\$ 114,332	\$ 61,140	\$ 16,140
01-50-510-419061	Miscellaneous Income	\$ 250	\$ 83,283	\$ 200	\$ (50)
		\$ 328,030	\$ 513,987	\$ 348,534	\$ 20,504



Water Importation Surcharge

The Water Importation Surcharge is the cost to the end user (Rate Payer) for imported water supplies to offset existing groundwater overdraft not to exceed the actual State Water Project Water costs incurred by the District. The proposed water importation surcharge for 2018 is derived from estimated potable water usage of 10,620AF for 2018 and is \$2,160,000, a negligible increase above the projected amount for 2017.

		<u>2017</u> <u>ADOPTED</u>	<u>2017</u> <u>PROJECTED</u>	<u>2018</u> <u>PROPOSED</u>	<u>CHANGE</u>
Water Importation Surcharge					
01-50-510-415001	SGPWA Importation Charges	\$ 2,000,000	\$ 2,159,391	\$ 2,160,000	\$ 160,000

Water Pumping Energy Surcharge

The Water Pumping Energy Surcharge is the cost to the end user (Rate Payer) for electricity to pump and deliver water. It includes all Southern California Edison (SCE) charges for operation of pumps and wells in the water system. Beaumont-Cherry Valley Water District uses SCE Time of Use (off peak) rates to limit the cost to the water user. The proposed water pumping energy surcharge for 2018 is derived from estimated potable water usage of 10,620AF for 2018 and is \$1,566,443, a 1.1 percent increase above the projected amount for 2017.

		<u>2017</u> <u>ADOPTED</u>	<u>2017</u> <u>PROJECTED</u>	<u>2018</u> <u>PROPOSED</u>	<u>CHANGE</u>
Water Pumping Energy Surcharge					
01-50-510-415011	SCE Power Charges	\$ 1,550,000	\$ 1,549,128	\$ 1,566,443	\$ 16,443

NON-OPERATING REVENUE

Rental Income

The District owns four residential properties and charges rental income and utilities for use of the properties. Proposed rental income for 2018 is \$20,577, a 6.8 percent increase above projected income for 2017.

		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
Rental Income					
01-50-510-471001	Rent - 12303 Oak Glen	\$ 2,400	\$ 2,400	\$ 2,400	\$ -
01-50-510-471011	Rent - 13695 Oak Glen	\$ 2,400	\$ 2,400	\$ 2,400	\$ -
01-50-510-471021	Rent - 13697 Oak Glen	\$ 2,400	\$ 2,400	\$ 2,400	\$ -
01-50-510-471031	Rent - 9781 Avenida Miravilla	\$ 2,400	\$ 2,400	\$ 2,400	\$ -
01-50-510-471101	Util - 12303 Oak Glen	\$ 2,320	\$ 2,577	\$ 2,273	\$ (47)
01-50-510-471111	Util - 13695 Oak Glen	\$ 1,500	\$ 1,431	\$ 2,531	\$ 1,031
01-50-510-471121	Util - 13697 Oak Glen	\$ 2,800	\$ 2,950	\$ 3,436	\$ 636
01-50-510-471131	Util - 9781 Avenida Miravilla	\$ 2,300	\$ 2,706	\$ 2,737	\$ 437
		<u>\$ 18,520</u>	<u>\$ 19,264</u>	<u>\$ 20,577</u>	<u>\$ 2,057</u>

Facilities Charges

Facilities fees or development impact fees are paid by industrial, commercial and residential developers to fund the cost of the impacts of their developments on the District's water system. The District has collected facilities fees since the early 1980's. Facilities fees pay for oversizing of pipelines, new wells, tanks, transmission mains etc. needed to serve new developments. Proposed facilities charges for 2018 are \$5,016,541, a 53.5 percent decrease from projected facilities charges for 2017, based on a conservative estimate of new development.

		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
Facilities Charges					
01-50-510-481001	Fac Fees-Wells	\$ 387,200	\$ 2,067,145	\$ 956,333	\$ 569,133
01-50-510-481006	Fac Fees-Water Rights (SWP)	\$ 245,000	\$ 1,156,864	\$ 605,118	\$ 360,118
01-50-510-481012	Fac Fees-Water Treatment Plant	\$ 184,200	\$ 983,389	\$ 454,950	\$ 270,750
01-50-510-481018	Fac Fees-Local Water Resources	\$ 97,000	\$ 458,024	\$ 239,577	\$ 142,577
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	\$ 280,400	\$ 1,643,746	\$ 692,551	\$ 412,151
01-50-510-481030	Fac Fees-Transmission (16")	\$ 313,600	\$ 1,674,216	\$ 774,550	\$ 460,950
01-50-510-481036	Fac Fees-Storage	\$ 401,600	\$ 2,144,022	\$ 991,899	\$ 590,299
01-50-510-481042	Fac Fees-Booster	\$ 27,800	\$ 148,416	\$ 68,662	\$ 40,862
01-50-510-481048	Fac Fees-Pressure Reducng Stns	\$ 14,200	\$ 75,810	\$ 35,072	\$ 20,872
01-50-510-481054	Fac Fees-Misc Projects	\$ 12,400	\$ 79,696	\$ 30,626	\$ 18,226
01-50-510-481060	Fac Fees-Financing Costs	\$ 61,000	\$ 330,083	\$ 150,662	\$ 89,662
01-50-510-485001	Front Footage Fees	\$ 2,500	\$ 16,541	\$ 16,541	\$ 14,041
01-50-510-488001	Contributed Capital	\$ -	\$ -	\$ -	\$ -
		<u>\$ 2,026,900</u>	<u>\$ 10,777,952</u>	<u>\$ 5,016,541</u>	<u>\$ 2,989,641</u>

Interest Earned

The District currently holds a diverse portfolio of investments to meet both short term liquidity, mid-term cash funded Capital Improvement Plans, and long-term earnings. The goals for the District's investments are:

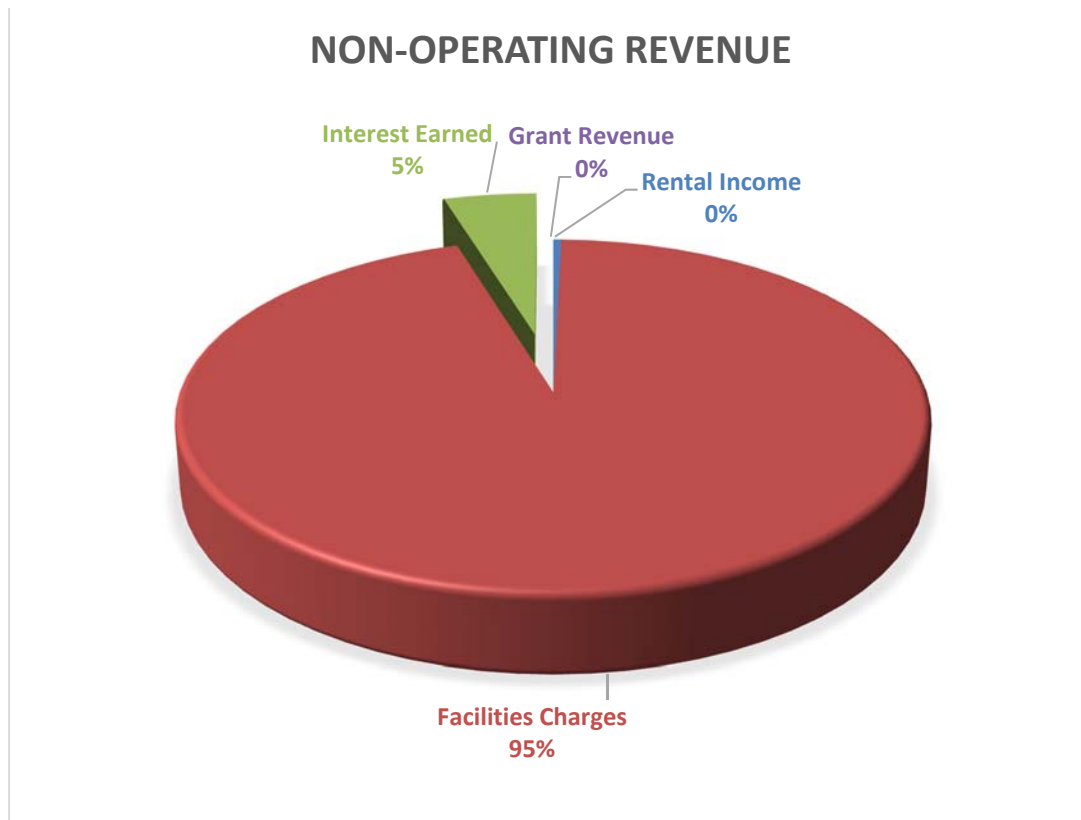
- Safety
- Liquidity
- Earn a total rate of return commensurate with the first two goals

The proposed \$249,358 of general interest earned is based on the expected level of capital invested throughout the fiscal year, and is 16.1 percent above the projected amount for 2017.

		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
Interest Earned					
01-50-510-490001	Interest Income-Bonita Vista	\$ 2,400	\$ 2,075	\$ 1,995	\$ (405)
01-50-510-490011	Interest Income-Fairway Canyon	\$ -	\$ 10,280	\$ 57,363	\$ 57,363
01-50-510-490021	Interest Income - General	\$ 80,000	\$ 202,369	\$ 190,000	\$ 110,000
		<u>\$ 82,400</u>	<u>\$ 214,724</u>	<u>\$ 249,358</u>	<u>\$ 166,958</u>

Grant Revenue

The District does not anticipate receiving any grant funding in 2018.

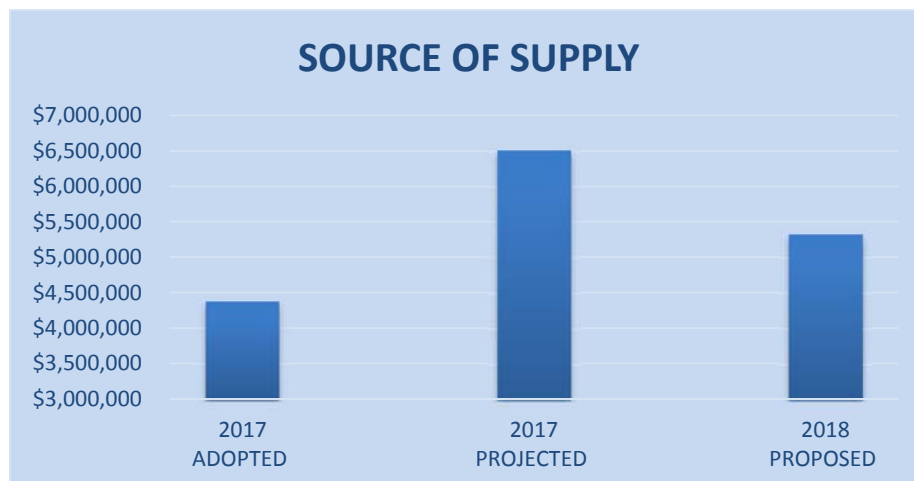


Operating Expenses Detail

Source of Supply

This category represents the projected costs related to the operation and maintenance of the 23 active wells, booster stations, storage facilities, State Water Project supply, supervisory control and data acquisition (SCADA) and water quality functions. Source of supply expenses for 2018 are proposed as \$5,330,765, an 18.1 percent decrease from projected expenses for 2017. 2017 was a "wet" year, and while purchases of imported State Water Project supplies will be made to the extent available, it is anticipated that 2018 will not be as wet as 2017.

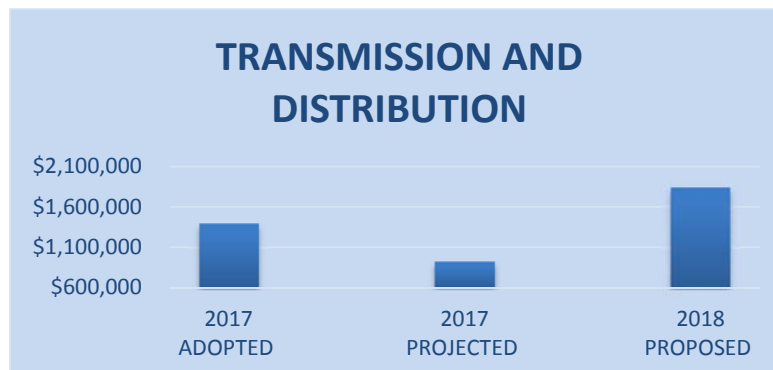
SOURCE OF SUPPLY		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
01-40-410-500105	Labor	\$ 294,844	\$ 180,482	\$ 328,948	\$ 34,104
01-40-410-500110	Overtime	16,145	15,916	18,393	2,248
01-40-410-500111	Double Time	427	374	930	503
01-40-410-500113	Standby/On-Call	0	0	4,550	4,550
01-40-410-500115	Social Security	18,283	12,681	21,988	3,705
01-40-410-500120	Medicare	4,278	2,966	5,148	870
01-40-410-500125	Health Insurance	121,440	63,035	108,600	(12,840)
01-40-410-500140	Life Insurance	1,265	881	2,160	895
01-40-410-500145	Workers' Compensation	20,808	11,251	23,214	2,406
01-40-410-500150	Unemployment Insurance	0	0	48,080	48,080
01-40-410-500155	Retirement/CalPERS	59,910	45,646	75,285	15,375
01-40-410-500165	Uniforms & Employee Benefits	1,000	646	2,200	1,200
01-40-410-500170	Education Expenses	1,000	109	1,000	0
01-40-410-500175	Seminar & Travel Expenses	500	1,346	4,000	3,500
01-40-410-500180	Accrued Sick Leave Expense	0	9,519	9,519	9,519
01-40-410-500185	Accrued Vacation Expenses	0	6,355	6,355	6,355
01-40-410-500187	Accrual Leave Payments	0	0	6,235	6,235
01-40-410-500195	State Project Water Purchases	0	(25,000)	(25,000)	(25,000)
01-40-410-500501	State Project Water Purchases	2,000,000	4,219,270	2,813,692	813,692
01-40-410-500511	Ground Water Purchases	0	0	0	0
01-40-410-501101	Electricity - Wells	1,550,000	1,700,583	1,566,443	16,443
01-40-410-501201	Gas - Wells	225	178	225	0
01-40-410-510011	Treatment & Chemicals	75,000	86,740	80,000	5,000
01-40-410-510021	Lab Testing	90,000	40,873	90,000	0
01-40-410-510031	Small Tools, Parts & Maint	3,200	2,655	3,200	0
01-40-410-520021	Maint & Rpr-Telemetry Equip	15,000	3,831	10,000	(5,000)
01-40-410-520031	Maint & Rpr-General Equipment	100	527	0	(100)
01-40-410-520061	Maint & Rpr-Pumping Equipment	100,000	128,973	125,000	25,000
01-40-410-540048	Permits, Fees & Licensing	0	0	0	0
01-40-410-550024	Employment Testing	200	0	200	0
01-40-410-550066	Subscriptions	400	0	400	0
		\$ 4,374,025	\$ 6,509,837	\$ 5,330,765	\$ 956,740



Transmission and Distribution

This department includes the maintenance of the distribution system, service connections, meters, reservoirs and pressure regulating stations that deliver water throughout the District. This department also includes costs associated with new service requests, fire hydrants and fire services. Proposed expenses for 2018 are \$1,843,114, a 100.4 percent increase above projected transmission and distribution costs for 2017. The increase is mainly due to a combination of new positions, vacant positions that are anticipated to be filled and wage and benefit increases as a result of the compensation study performed in 2017 by Koff & Associates.

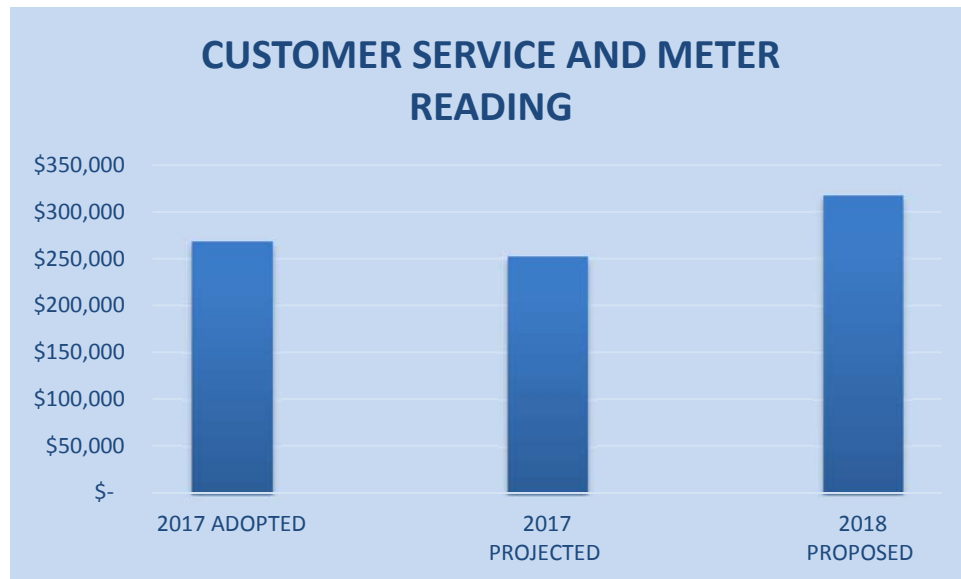
TRANSMISSION AND DISTRIBUTION		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
01-40-440-500105	Labor	\$ 661,864	\$ 407,545	\$ 922,072	\$ 260,208
01-40-440-500110	Overtime	20,007	20,705	36,825	16,818
01-40-440-500111	Double Time	3,156	3,091	3,000	(156)
01-40-440-500113	Standby/On-Call	0	0	7,800	7,800
01-40-440-500115	Social Security	40,273	29,503	61,467	21,194
01-40-440-500120	Medicare	9,603	6,900	14,387	4,784
01-40-440-500125	Health Insurance	279,312	154,991	304,080	24,768
01-40-440-500140	Life Insurance	2,726	2,040	6,060	3,334
01-40-440-500145	Workers' Compensation	36,190	20,776	51,310	15,120
01-40-440-500155	Retirement/CalPERS	123,317	87,824	170,684	47,367
01-40-440-500165	Uniforms & Employee Benefits	4,000	1,784	4,500	500
01-40-440-500170	Education Expenses	1,000	376	1,000	0
01-40-440-500175	Seminar & Travel Expenses	500	30	500	0
01-40-440-500180	Accrued Sick Leave Expense	0	9,260	9,260	9,260
01-40-440-500185	Accrued Vacation Expenses	0	20,816	20,816	20,816
01-40-440-500187	Accrual Leave Payments	0	0	28,454	28,454
01-40-440-500195	CIP Related Labor	(40,000)	0	(57,300)	(17,300)
01-40-440-510031	Small Tools, Parts & Maint	6,500	4,030	6,500	0
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	55,000	34,588	55,000	0
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	7,500	97	7,500	0
01-40-440-540001	Backflow Devices	2,500	724	2,500	0
01-40-440-540024	Inventory Adjustments	3,000	2,416	3,000	0
01-40-440-540026	Inventory Purchase Discounts	(5,000)	0	0	5,000
01-40-440-540036	Line Locates	3,500	2,203	3,500	0
01-40-440-540042	Meters Maintenance & Services	150,000	93,085	150,000	0
01-40-440-540078	Reservoirs Maintenance	30,000	16,932	30,000	0
01-40-440-550024	Employment Testing	200	25	200	0
01-40-450-500105	Labor	0	0	0	0
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500115	Social Security	0	0	0	0
01-40-450-500120	Medicare	0	0	0	0
01-40-450-500125	Health Insurance	0	0	0	0
01-40-450-500140	Life Insurance	0	0	0	0
01-40-450-500145	Workers' Compensation	0	0	0	0
01-40-450-500155	Retirement/CalPERS	0	0	0	0
01-40-450-500165	Uniforms & Employee Benefits	0	0	0	0
		<u>\$ 1,395,148</u>	<u>\$ 919,743</u>	<u>\$ 1,843,114</u>	<u>\$ 447,966</u>



Customer Service and Meter Reading

This department conducts meter reading and field related customer service activities. Customer service and meter reading expenses are proposed at \$317,373 for 2018, a 25.9 percent increase above projected costs for 2017, reflecting wage and benefit increases as a result of the compensation study performed in 2017 by Koff & Associates.

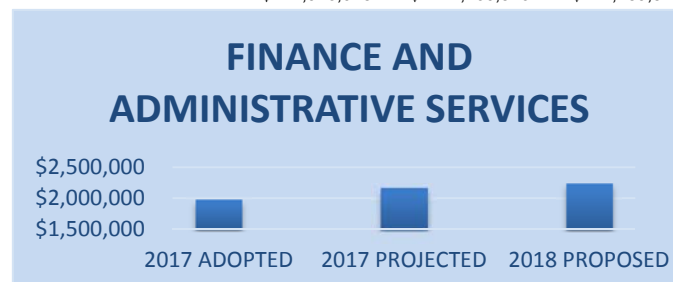
		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
CUSTOMER SERVICE AND METER READING					
01-40-460-500105	Labor	\$ 144,396	\$ 126,470	\$ 162,730	\$ 18,334
01-40-460-500110	Overtime	7,124	5,763	14,102	6,978
01-40-460-500111	Double Time	1,435	936	1,579	144
01-40-460-500113	Standby/On-Call	0	0	3,900	3,900
01-40-460-500115	Social Security	8,954	8,920	11,267	2,313
01-40-460-500120	Medicare	2,096	2,086	2,639	543
01-40-460-500125	Health Insurance	72,864	69,545	65,160	(7,704)
01-40-460-500140	Life Insurance	543	654	1,068	525
01-40-460-500145	Workers' Compensation	10,190	7,925	11,484	1,294
01-40-460-500155	Retirement/CalPERS	29,268	29,693	39,276	10,008
01-40-460-500165	Uniforms & Employee Benefits	750	0	200	(550)
01-40-460-500170	Education Expenses	500	0	200	(300)
01-40-460-500175	Seminar & Travel Expenses	300	30	200	(100)
01-40-460-500180	Accrued Sick Leave Expense	0	147	147	147
01-40-460-500185	Accrued Vacation Expenses	0	(68)	0	0
01-40-460-500187	Accrual Leave Payments	0	0	3,221	3,221
01-40-460-500195	CIP Related Labor	(10,000)	0	0	10,000
01-40-460-550024	Employment Testing	300	0	200	(100)
		<u>\$ 268,720</u>	<u>\$ 252,101</u>	<u>\$ 317,373</u>	<u>\$ 48,653</u>



Finance and Administrative Services

This department includes all administrative salaries, employee benefits, operating supplies, property insurance and other expenses associated with the administrative, accounting and billing functions of the District. Proposed expenses for 2018 are \$2,239,320, a 3.6 percent increase above projected finance and administrative services costs for 2017.

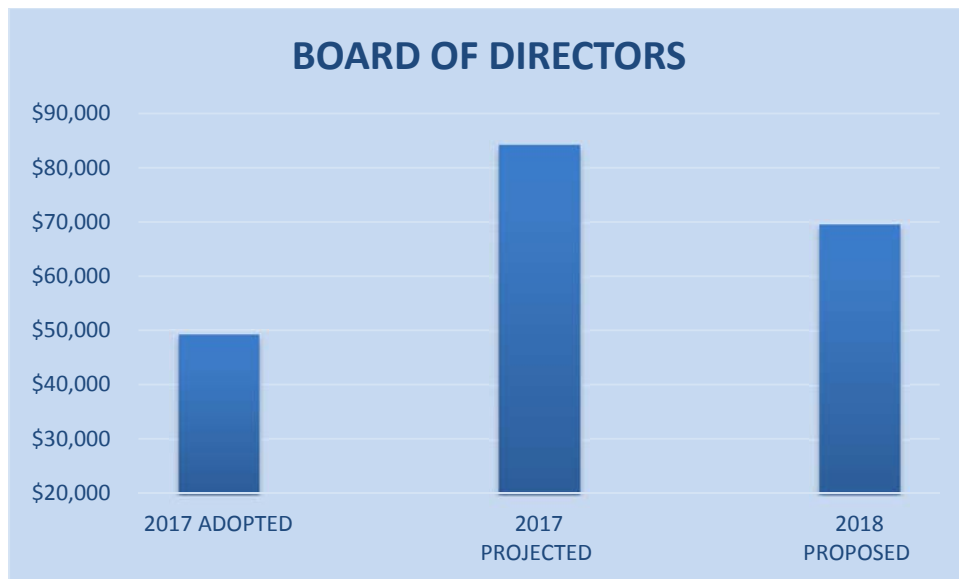
		2017	2017	2018	
FINANCE AND ADMINISTRATIVE SERVICES		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-30-310-500105	Labor	\$ 968,732	\$ 1,074,352	\$ 963,090	\$ (5,642)
01-30-310-500110	Overtime	622	36	0	
01-30-310-500115	Social Security	55,000	61,007	62,324	7,324
01-30-310-500120	Medicare	14,051	17,825	14,583	
01-30-310-500125	Health Insurance	255,024	172,139	246,160	(8,864)
01-30-310-500130	CalPERS Health Admin Costs	2,000	1,681	2,000	0
01-30-310-500140	Life Insurance	3,746	3,478	6,072	2,326
01-30-310-500145	Workers' Compensation	14,113	11,365	14,012	(101)
01-30-310-500150	Unemployment Insurance	74,709	1,791	32,751	(41,958)
01-30-310-500155	Retirement/CalPERS	157,481	134,794	156,625	(856)
01-30-310-500161	Estim Current Yr OPEB Expense	0	100,000	100,000	100,000
01-30-310-500165	Uniforms & Employee Benefits	500	767	750	250
01-30-310-500170	Education Expenses	2,000	398	2,000	0
01-30-310-500175	Seminar & Travel Expenses	11,000	14,377	15,000	4,000
01-30-310-500180	Accrued Sick Leave Expenses	0	34,780	27,897	27,897
01-30-310-500185	Accrued Vacation Expenses	0	118,092	103,444	103,444
01-30-310-500187	Accrual Leave Payments	0	0	40,781	40,781
01-30-310-500190	Temporary Labor	0	0	0	0
01-30-310-500195	CIP Related Labor	(25,000)	0	0	25,000
01-30-310-500196	CIP Related Overtime	0	0	0	0
01-30-310-520001	Maint & Rpr-Office Equipment	2,800	239	0	(2,800)
01-30-310-550001	Bank/Financial Service Fees	33,000	40,524	42,000	9,000
01-30-310-550006	Cashiering Shortages/Overages	50	0	50	0
01-30-310-550008	Transaction/Return Fees	0	0	3,000	3,000
01-30-310-550010	Transaction/Credit Card Fees	0	0	44,381	44,381
01-30-310-550014	Credit Check Fees	0	0	12,000	12,000
01-30-310-550018	Employee Medical/First Aid	200	0	200	0
01-30-310-550024	Employment Testing	200	155	200	0
01-30-310-550030	Membership Dues	35,000	41,632	42,000	7,000
01-30-310-550036	Notary & Lien Fees	2,000	1,765	2,000	0
01-30-310-550042	Office Supplies	15,000	13,616	10,500	(4,500)
01-30-310-550046	Office Equipment	65,000	31,248	40,000	(25,000)
01-30-310-550048	Postage	58,800	47,930	50,000	(8,800)
01-30-310-550051	Advertising	0	4,338	4,000	4,000
01-30-310-550054	Property, Auto& Gen Liab Insur	85,000	73,897	80,000	(5,000)
01-30-310-550066	Subscriptions	10,000	7,444	3,000	(7,000)
01-30-310-550072	Misc Operating Expenses	5,000	0	1,000	(4,000)
01-30-310-550078	Bad Debt Expense	5,000	0	5,000	0
01-30-310-550090	Principal Repayment	0	0	0	0
01-30-310-580021	IT/Software Support	30,000	33,893	0	(30,000)
01-30-310-580036	Other Professional Services	0	12,870	5,000	5,000
01-30-310-590001	Interest Expense	0	0	0	0
01-30-310-590011	Cost of Issuance Amortization	0	0	0	0
01-40-410-540084	State Mandates & Tariffs	50,000	68,142	70,000	20,000
01-40-470-501691	Maint & Rpr- Bldgs (General)	5,000	2,581	5,000	0
01-40-510-510031	Small Tools, Parts & Maint	1,500	5,383	500	(1,000)
01-50-510-540066	Property Damages & Theft	15,000	15,767	15,000	0
01-50-510-550040	General Supplies	9,000	10,902	11,000	2,000
01-50-510-550060	Public Education	10,000	1,320	5,000	(5,000)
01-50-510-550072	Misc Operating Expenses	4,500	0	1,000	(3,500)
		\$ 1,976,028	\$ 2,160,526	\$ 2,239,320	\$ 263,292



Board of Directors

This department includes per diem paid to each Board member as well as the associated payroll tax expenses, election expenses and seminar/travel expenses. Proposed expenses for 2018 are \$69,680, a 17.3 percent decrease from projected costs for 2017.

		2017	2017	2018	
BOARD OF DIRECTORS		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-10-110-500101	Board of Directors Fees	\$ 36,000	\$ 26,600	\$ 36,000	\$ -
01-10-110-500115	Social Security	2,235	1,637	2,235	0
01-10-110-500120	Medicare	525	386	525	0
01-10-110-500145	Workers' Compensation	485	258	520	35
01-10-110-500175	Seminar & Travel Expenses	10,000	140	10,000	0
01-10-110-550012	Election Expenses	0	54,827	20,000	20,000
01-10-110-550042	Supplies - Other	0	378	400	400
		<u>\$ 49,245</u>	<u>\$ 84,225</u>	<u>\$ 69,680</u>	<u>\$ 20,435</u>



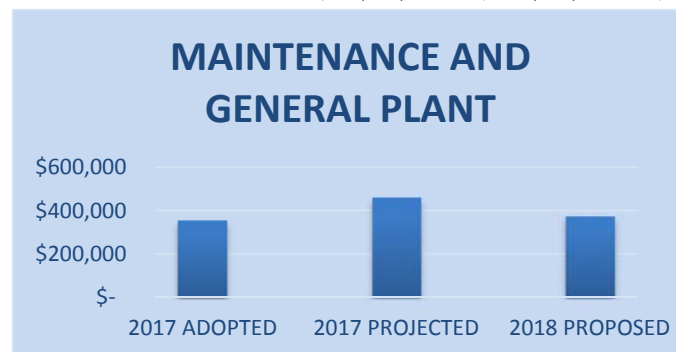
Maintenance and General Plant

This category includes utilities, auto/equipment fuel, maintenance and repairs for all residences and offices. It also includes all landscape maintenance related labor as well as general maintenance in the canyon areas, recharge basin system and the Noble Creek Recharge facility. Maintenance and general plant expenses are proposed at \$374,327 (excluding depreciation expense) for 2018, an 18.3 percent decrease from projected costs for 2017. This decrease is mainly due to the expectation that much of the landscape maintenance in 2018 will be contracted out to third parties, with de minimis District labor expenses to be incurred.

		2017	2017	2018	
MAINTENANCE AND GENERAL PLANT		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-40-470-501111	Electricity - 560 Magnolia	\$ 23,600	\$ 21,547	\$ 23,000	\$ (600)
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,930	2,400	600
01-40-470-501511	Phones - 560 Magnolia	20,000	16,083	0	(20,000)
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	15,117	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	2,200	2,659	2,159	(41)
01-40-470-501321	Propane - 12303 Oak Glen	120	0	114	(6)
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	390	1,200	0
01-40-470-501131	Electricity - 13695 Oak Glen	1,500	1,668	1,848	348
01-40-470-501331	Propane - 13695 Oak Glen	600	0	683	83
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	265	1,000	0
01-40-470-501141	Electricity - 13697 Oak Glen	2,200	2,945	2,818	618
01-40-470-501341	Propane - 13697 Oak Glen	600	0	618	18
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	1,132	500	0
01-40-470-501151	Elec - 9781 Avenida Miravilla	1,800	2,245	1,834	34
01-40-470-501351	Propane-9781 Avenida Miravilla	500	1,003	903	403
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	47	1,500	0
01-40-470-501161	Electricity - 815 E. 12th	6,000	5,181	6,000	0
01-40-470-501461	Sanitation - 815 E. 12th	3,600	3,100	4,050	450
01-40-470-501561	Phones - 815 E. 12th	1,800	4,514	0	(1,800)
01-40-470-501661	Maint & Repair- 815 E. 12th	5,000	4,894	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	3,023	3,200	0
01-40-470-500105	Labor	32,000	37,950	0	(32,000)
01-40-470-500115	Social Security	1,700	2,353	0	(1,700)
01-40-470-500120	Medicare	400	550	0	(400)
01-40-470-500125	Health Insurance	11,000	17,090	0	(11,000)
01-40-470-500140	Life Insurance	200	173	0	(200)
01-40-470-500145	Workers' Compensation	2,500	2,089	0	(2,500)
01-40-470-500155	Retirement/CalPERS	9,950	6,805	0	(9,950)
01-40-470-501600	Property Maintenance & Repairs	5,000	0	0	(5,000)
01-40-470-510001	Auto/Fuel	75,000	66,842	75,000	0
01-40-470-510002	CIP Related Fuel	(15,000)	0	0	15,000
01-40-470-520011	Maint & Rpr-Safety Equipment	5,000	1,540	3,000	(2,000)
01-40-470-520031	Maint & Rpr-General Equipment	40,000	42,242	46,000	6,000
01-40-470-520041	Maint & Rpr-Fleet	55,000	46,237	50,000	(5,000)
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	5,353	5,500	3,000
01-40-470-540030	Landscape Maintenance	15,000	4,274	45,000	30,000
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	20,000	137,000	75,000	55,000
		\$ 354,970	\$ 458,238	\$ 374,327	\$ 19,357

NOTE: System Depreciation is omitted from the chart for clarity

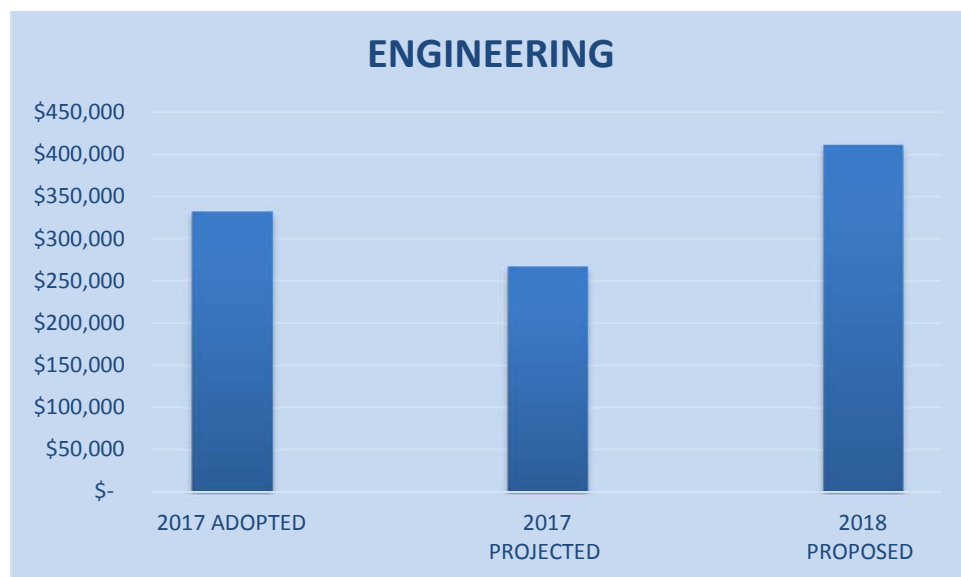
01-30-310-550084	Depreciation	\$ 2,504,276	\$ 2,554,144	\$ 2,554,781	\$ 50,505
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Engineering

This category includes the full-time Director of Engineering and Engineering Staff. Engineering expenses are proposed at \$411,357 for 2018, a 53.9 percent increase from projected costs for 2017. The expected increase is due the anticipated need for additional labor and associated benefits in the implementation and management of the District's Capital Improvement Plan.

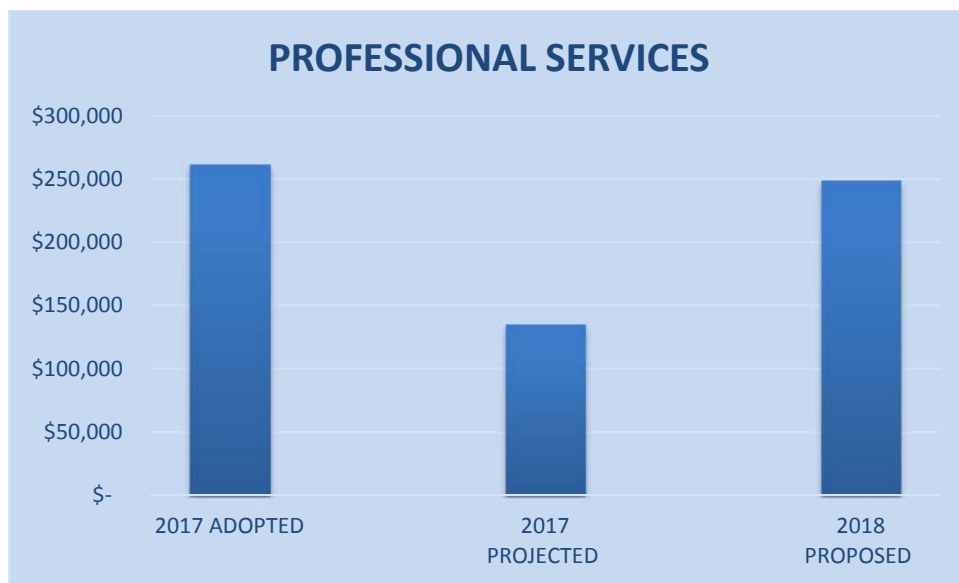
		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
ENGINEERING					
01-20-210-500105	Labor	\$ 300,701	\$ 244,425	\$ 391,181	\$ 90,480
01-20-210-500115	Social Security	17,876	16,176	24,489	6,613
01-20-210-500120	Medicare	4,363	3,783	5,730	1,367
01-20-210-500125	Health Insurance	48,576	28,336	43,440	(5,136)
01-20-210-500140	Life Insurance	956	596	1,524	568
01-20-210-500145	Workers' Compensation	4,491	3,312	5,842	1,351
01-20-210-500150	Unemployment Insurance	0	0	13,303	13,303
01-20-210-500155	Retirement/CalPERS	50,409	35,280	57,099	6,690
01-20-210-500165	Uniforms & Employee Benefits	50	0	50	0
01-20-210-500170	Education Expenses	2,500	0	5,000	2,500
01-20-210-500175	Seminar & Travel Expenses	500	70	1,000	500
01-20-210-500180	Accrued Sick Leave Expenses	0	16,230	16,230	16,230
01-20-210-500185	Accrued Vacation Expenses	0	13,127	13,127	13,127
01-20-210-500187	Accrual Leave Payments	0	0	2,657	2,657
01-20-210-500195	CIP Related Labor	(121,158)	(106,618)	(169,314)	(48,156)
01-20-210-550068	Software Maintenance	22,500	12,500	0	(22,500)
		<u>\$ 331,764</u>	<u>\$ 267,217</u>	<u>\$ 411,357</u>	<u>\$ 79,593</u>



Professional Services

This category includes professional services from outside consultants for legal, engineering and auditing services. Proposed expenses for 2018 are \$249,000, an 84.2 percent increase above projected professional services costs for 2017. This increase is mainly due to an anticipated increase in legal counsel and outside engineering costs.

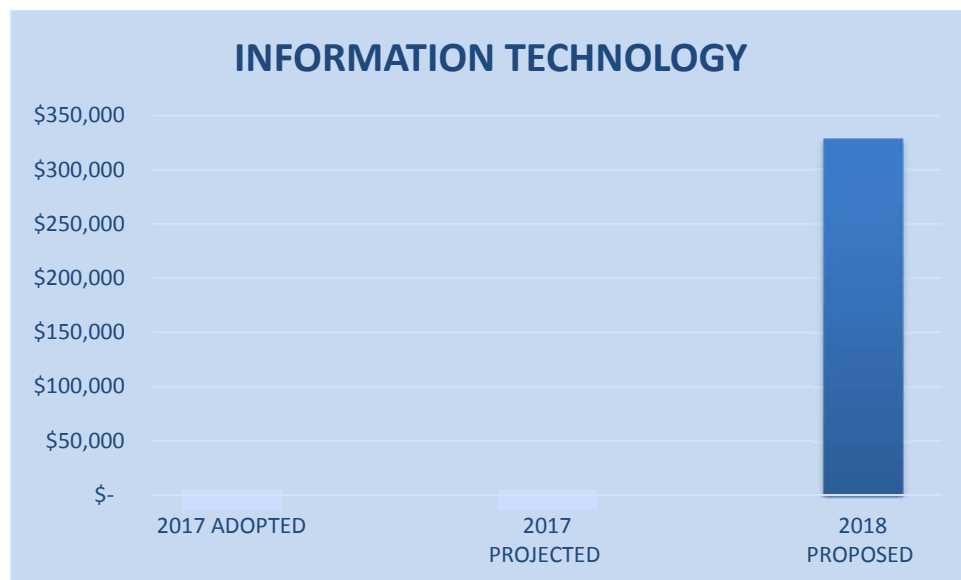
		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
PROFESSIONAL SERVICES					
01-20-210-540012	Dev Reimbursable Engineering	\$ 15,000	\$ -	\$ -	\$ (15,000)
01-20-210-540018	Grant & Loan Procurement	0	0	0	0
01-20-210-540048	Permits, Fees & Licensing	4,000	0	2,000	(2,000)
01-20-210-580031	Outside Engineering	50,000	5,368	60,000	10,000
01-20-210-580032	CIP Related Outside Engineering	(30,000)	0	(40,000)	(10,000)
01-30-310-580001	Accounting & Audit	36,000	29,544	35,000	(1,000)
01-30-310-580011	General Legal	150,000	60,620	150,000	0
01-50-510-550096	Beaumont Basin Watermaster	36,610	39,661	42,000	5,390
		<u>\$ 261,610</u>	<u>\$ 135,192</u>	<u>\$ 249,000</u>	<u>\$ (12,610)</u>



Information Technology

This department includes the administrative salaries, employee benefits, operating supplies, and other expenses associated with the information technology function of the District. This is a new department for 2018 that has previously been budgeted and accounted for within Finance and Administrative Services, with proposed expenses of \$328,952 for 2018.

		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
INFORMATION TECHNOLOGY					
01-30-315-500105	Labor	\$ -	\$ -	\$ 118,311	\$ 118,311
01-30-315-500110	Overtime	\$ -	\$ -	\$ -	\$ -
01-30-315-500115	Social Security	\$ -	\$ -	\$ 7,802	\$ 7,802
01-30-315-500120	Medicare	\$ -	\$ -	\$ 1,825	\$ 1,825
01-30-315-500125	Health Insurance	\$ -	\$ -	\$ 21,720	\$ 21,720
01-30-315-500140	Life Insurance	\$ -	\$ -	\$ 780	\$ 780
01-30-315-500145	Workers' Compensation	\$ -	\$ -	\$ 1,709	\$ 1,709
01-30-315-500150	Unemployment Insurance	\$ -	\$ -	\$ 4,023	\$ 4,023
01-30-315-500155	Retirement/CalPERS	\$ -	\$ -	\$ 11,648	\$ 11,648
01-30-315-500175	Seminar & Travel Expenses	\$ -	\$ -	\$ 4,000	\$ 4,000
01-30-315-500180	Accrued Sick Leave Expenses	\$ -	\$ -	\$ 6,883	\$ 6,883
01-30-315-500185	Accrued Vacation Expenses	\$ -	\$ -	\$ 14,648	\$ 14,648
01-30-315-500187	Accrual Leave Payments	\$ -	\$ -	\$ 7,458	\$ 7,458
01-30-315-500190	Temporary Labor	\$ -	\$ -	\$ -	\$ -
01-30-315-500195	CIP Related Labor	\$ -	\$ -	\$ (31,855)	\$ (31,855)
01-30-315-501511	Phones - 560 Magnolia	\$ -	\$ -	\$ 25,200	\$ 25,200
01-30-315-501561	Phones - 815 E. 12th	\$ -	\$ -	\$ 2,800	\$ 2,800
01-30-315-550030	Membership Dues	\$ -	\$ -	\$ 2,000	\$ 2,000
01-30-315-550044	Printing/Toner & Maint	\$ -	\$ -	\$ 15,000	\$ 15,000
01-30-315-580016	Computer Hardware	\$ -	\$ -	\$ 20,000	\$ 20,000
01-30-315-580021	IT/Software Support	\$ -	\$ -	\$ 5,000	\$ 5,000
01-30-315-580026	License/Maintenance/Support	\$ -	\$ -	\$ 90,000	\$ 90,000
		\$ -	\$ -	\$ 328,952	\$ 328,952



Appendix A

Budget Detail



Revenues: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget

		<u>2017 ADOPTED</u>	<u>2017 PROJECTED</u>	<u>2018 PROPOSED</u>	<u>CHANGE</u>
OPERATING REVENUE					
Water Sales					
01-50-510-410100	Sales	\$ 4,200,000	\$ 4,649,637	\$ 4,750,617	\$ 550,617
01-50-510-410151	Agricultural Irrigation Sales	25,500	24,573	20,000	(5,500)
01-50-510-410171	Construction Sales	150,000	103,099	150,000	0
01-50-510-413011	Fixed Meter Charges	2,786,335	2,913,334	3,158,771	372,436
		<u>7,161,835</u>	<u>7,690,644</u>	<u>8,079,388</u>	<u>917,553</u>
Development and Installation Charges					
01-50-510-413021	Meter Fees	275,000	414,666	619,974	344,974
01-50-510-419011	Development Income	100,000	110,240	100,626	626
		<u>375,000</u>	<u>524,906</u>	<u>720,600</u>	<u>345,600</u>
Other Charges for Service					
01-50-510-413001	Backflow Admin Charges	30,000	40,806	41,501	11,501
01-50-510-417001	2nd Notice Penalties	90,000	92,230	93,072	3,072
01-50-510-417011	3rd Notice Charges	32,000	34,355	32,000	0
01-50-510-417021	Account Reinstatement Fees	65,000	66,650	35,490	(29,510)
01-50-510-417030	WaterRestrctn Noncomp 10-50%	0	204	0	0
01-50-510-417031	Lien Processing Fees	5,000	5,900	5,000	0
01-50-510-417041	Credit Check Processing Fees	8,000	11,055	12,000	4,000
01-50-510-417051	Returned Check Fees	2,000	2,900	3,000	1,000
01-50-510-417061	Custmr Damages/Upgrade Charges	15,000	19,007	18,819	3,819
01-50-510-417071	After Hours Call Out Charges	600	1,700	1,931	1,331
01-50-510-417081	Bench Test Fees	180	72	0	(180)
01-50-510-417091	Credit Card Processing Fees	35,000	41,493	44,381	9,381
01-50-510-419021	Recharge Income	45,000	114,332	61,140	16,140
01-50-510-419061	Miscellaneous Income	250	83,283	200	(50)
		<u>328,030</u>	<u>513,987</u>	<u>348,534</u>	<u>20,504</u>
Water Importation Surcharge					
01-50-510-415001	SGPWA Importation Charges	2,000,000	2,159,391	2,160,000	160,000
Water Pumping Energy Surcharge					
01-50-510-415011	SCE Power Charges	1,550,000	1,549,128	1,566,443	16,443
	Total Operating Revenues	<u>11,414,865</u>	<u>12,438,056</u>	<u>12,874,965</u>	<u>1,460,100</u>
NON-OPERATING REVENUE					
Rental Income					
01-50-510-471001	Rent - 12303 Oak Glen	2,400	2,400	2,400	0
01-50-510-471011	Rent - 13695 Oak Glen	2,400	2,400	2,400	0
01-50-510-471021	Rent - 13697 Oak Glen	2,400	2,400	2,400	0
01-50-510-471031	Rent - 9781 Avenida Miravilla	2,400	2,400	2,400	0
01-50-510-471101	Util - 12303 Oak Glen	2,320	2,577	2,273	(47)
01-50-510-471111	Util - 13695 Oak Glen	1,500	1,431	2,531	1,031
01-50-510-471121	Util - 13697 Oak Glen	2,800	2,950	3,436	636
01-50-510-471131	Util - 9781 Avenida Miravilla	2,300	2,706	2,737	437
		<u>18,520</u>	<u>19,264</u>	<u>20,577</u>	<u>2,057</u>
Facilities Charges					
01-50-510-481001	Fac Fees-Wells	387,200	2,067,145	956,333	569,133
01-50-510-481006	Fac Fees-Water Rights (SWP)	245,000	1,156,864	605,118	360,118
01-50-510-481012	Fac Fees-Water Treatment Plant	184,200	983,389	454,950	270,750
01-50-510-481018	Fac Fees-Local Water Resources	97,000	458,024	239,577	142,577
01-50-510-481024	Fac Fees-Recyclcd Wtr Facilities	280,400	1,643,746	692,551	412,151
01-50-510-481030	Fac Fees-Transmission (16")	313,600	1,674,216	774,550	460,950
01-50-510-481036	Fac Fees-Storage	401,600	2,144,022	991,899	590,299
01-50-510-481042	Fac Fees-Booster	27,800	148,416	68,662	40,862
01-50-510-481048	Fac Fees-Pressure Reducng Stns	14,200	75,810	35,072	20,872
01-50-510-481054	Fac Fees-Misc Projects	12,400	79,696	30,626	18,226
01-50-510-481060	Fac Fees-Financing Costs	61,000	330,083	150,662	89,662
01-50-510-485001	Front Footage Fees	2,500	16,541	16,541	14,041
01-50-510-488001	Contributed Capital	0	0	0	0
		<u>2,026,900</u>	<u>10,777,952</u>	<u>5,016,541</u>	<u>2,989,641</u>
Interest Earned					
01-50-510-490001	Interest Income-Bonita Vista	2,400	2,075	1,995	(405)
01-50-510-490011	Interest Income-Fairway Canyon	0	10,280	57,363	57,363
01-50-510-490021	Interest Income - General	80,000	202,369	190,000	110,000
		<u>82,400</u>	<u>214,724</u>	<u>249,358</u>	<u>166,958</u>
Grant Revenue					
01-50-510-419051	Grant Revenue	0	0	0	0
	Total Non-Operating Revenues	<u>2,127,820</u>	<u>11,011,939</u>	<u>5,286,476</u>	<u>3,158,656</u>
	Total Revenues	<u>\$ 13,542,685</u>	<u>\$ 23,449,995</u>	<u>\$ 18,161,441</u>	<u>\$ 4,618,756</u>

Expenses: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget

EXPENSES		2017	2017	2018	
		ADOPTED	PROJECTED	PROPOSED	CHANGE
SOURCE OF SUPPLY					
01-40-410-500105	Labor	\$ 294,844	\$ 180,482	\$ 328,948	\$ 34,104
01-40-410-500110	Overtime	16,145	15,916	18,393	2,248
01-40-410-500111	Double Time	427	374	930	503
01-40-410-500113	Standby/On-Call	0	0	4,550	4,550
01-40-410-500115	Social Security	18,283	12,681	21,988	3,705
01-40-410-500120	Medicare	4,278	2,966	5,148	870
01-40-410-500125	Health Insurance	121,440	63,035	108,600	(12,840)
01-40-410-500140	Life Insurance	1,265	881	2,160	895
01-40-410-500145	Workers' Compensation	20,808	11,251	23,214	2,406
01-40-410-500150	Unemployment Insurance	0	0	48,080	48,080
01-40-410-500155	Retirement/CalPERS	59,910	45,646	75,285	15,375
01-40-410-500165	Uniforms & Employee Benefits	1,000	646	2,200	1,200
01-40-410-500170	Education Expenses	1,000	109	1,000	0
01-40-410-500175	Seminar & Travel Expenses	500	1,346	4,000	3,500
01-40-410-500180	Accrued Sick Leave Expense	0	9,519	9,519	9,519
01-40-410-500185	Accrued Vacation Expenses	0	6,355	6,355	6,355
01-40-410-500187	Accrual Leave Payments	0	0	6,235	6,235
01-40-410-500195	CIP Related Labor	0	(25,000)	(25,000)	(25,000)
01-40-410-500501	State Project Water Purchases	2,000,000	4,219,270	2,813,692	813,692
01-40-410-500511	Ground Water Purchases	0	0	0	0
01-40-410-501101	Electricity - Wells	1,550,000	1,700,583	1,566,443	16,443
01-40-410-501201	Gas - Wells	225	178	225	0
01-40-410-510011	Treatment & Chemicals	75,000	86,740	80,000	5,000
01-40-410-510021	Lab Testing	90,000	40,873	90,000	0
01-40-410-510031	Small Tools, Parts & Maint	3,200	2,655	3,200	0
01-40-410-520021	Maint & Rpr-Telemetry Equip	15,000	3,831	10,000	(5,000)
01-40-410-520031	Maint & Rpr-General Equipment	100	527	0	(100)
01-40-410-520061	Maint & Rpr-Pumping Equipment	100,000	128,973	125,000	25,000
01-40-410-540048	Permits, Fees & Licensing	0	0	0	0
01-40-410-550024	Employment Testing	200	0	200	0
01-40-410-550066	Subscriptions	400	0	400	0
		4,374,025	6,509,837	5,330,765	956,740
TRANSMISSION AND DISTRIBUTION					
01-40-440-500105	Labor	661,864	407,545	922,072	260,208
01-40-440-500110	Overtime	20,007	20,705	36,825	16,818
01-40-440-500111	Double Time	3,156	3,091	3,000	(156)
01-40-440-500113	Standby/On-Call	0	0	7,800	7,800
01-40-440-500115	Social Security	40,273	29,503	61,467	21,194
01-40-440-500120	Medicare	9,603	6,900	14,387	4,784
01-40-440-500125	Health Insurance	279,312	154,991	304,080	24,768
01-40-440-500140	Life Insurance	2,726	2,040	6,060	3,334
01-40-440-500145	Workers' Compensation	36,190	20,776	51,310	15,120
01-40-440-500155	Retirement/CalPERS	123,317	87,824	170,684	47,367
01-40-440-500165	Uniforms & Employee Benefits	4,000	1,784	4,500	500
01-40-440-500170	Education Expenses	1,000	376	1,000	0
01-40-440-500175	Seminar & Travel Expenses	500	30	500	0
01-40-440-500180	Accrued Sick Leave Expense	0	9,260	9,260	9,260
01-40-440-500185	Accrued Vacation Expenses	0	20,816	20,816	20,816
01-40-440-500187	Accrual Leave Payments	0	0	28,454	28,454
01-40-440-500195	CIP Related Labor	(40,000)	0	(57,300)	(17,300)
01-40-440-510031	Small Tools, Parts & Maint	6,500	4,030	6,500	0
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	55,000	34,588	55,000	0
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	7,500	97	7,500	0
01-40-440-540001	Backflow Devices	2,500	724	2,500	0
01-40-440-540024	Inventory Adjustments	3,000	2,416	3,000	0
01-40-440-540026	Inventory Purchase Discounts	(5,000)	0	0	5,000
01-40-440-540036	Line Locates	3,500	2,203	3,500	0
01-40-440-540042	Meters Maintenance & Services	150,000	93,085	150,000	0
01-40-440-540078	Reservoirs Maintenance	30,000	16,932	30,000	0
01-40-440-550024	Employment Testing	200	25	200	0
01-40-450-500105	Labor	0	0	0	0
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500115	Social Security	0	0	0	0
01-40-450-500120	Medicare	0	0	0	0
01-40-450-500125	Health Insurance	0	0	0	0
01-40-450-500140	Life Insurance	0	0	0	0
01-40-450-500145	Workers' Compensation	0	0	0	0
01-40-450-500155	Retirement/CalPERS	0	0	0	0
01-40-450-500165	Uniforms & Employee Benefits	0	0	0	0
		1,395,148	919,743	1,843,114	447,966

Expenses: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget

EXPENSES		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
CUSTOMER SERVICE AND METER READING					
01-40-460-500105	Labor	144,396	126,470	162,730	18,334
01-40-460-500110	Overtime	7,124	5,763	14,102	6,978
01-40-460-500111	Double Time	1,435	936	1,579	144
01-40-460-500113	Standby/On-Call	0	0	3,900	3,900
01-40-460-500115	Social Security	8,954	8,920	11,267	2,313
01-40-460-500120	Medicare	2,096	2,086	2,639	543
01-40-460-500125	Health Insurance	72,864	69,545	65,160	(7,704)
01-40-460-500140	Life Insurance	543	654	1,068	525
01-40-460-500145	Workers' Compensation	10,190	7,925	11,484	1,294
01-40-460-500155	Retirement/CalPERS	29,268	29,693	39,276	10,008
01-40-460-500165	Uniforms & Employee Benefits	750	0	200	(550)
01-40-460-500170	Education Expenses	500	0	200	(300)
01-40-460-500175	Seminar & Travel Expenses	300	30	200	(100)
01-40-460-500180	Accrued Sick Leave Expense	0	147	147	147
01-40-460-500185	Accrued Vacation Expenses	0	(68)	0	0
01-40-460-500187	Accrual Leave Payments	0	0	3,221	3,221
01-40-460-500195	CIP Related Labor	(10,000)	0	0	10,000
01-40-460-550024	Employment Testing	300	0	200	(100)
		268,720	252,101	317,373	48,653
FINANCE AND ADMINISTRATIVE SERVICES					
01-30-310-500105	Labor	968,732	1,074,352	963,090	\$ (5,642)
01-30-310-500110	Overtime	622	36	0	(622)
01-30-310-500115	Social Security	55,000	61,007	62,324	7,324
01-30-310-500120	Medicare	14,051	17,825	14,583	532
01-30-310-500125	Health Insurance	255,024	172,139	246,160	(8,864)
01-30-310-500130	CalPERS Health Admin Costs	2,000	1,681	2,000	0
01-30-310-500140	Life Insurance	3,746	3,478	6,072	2,326
01-30-310-500145	Workers' Compensation	14,113	11,365	14,012	(101)
01-30-310-500150	Unemployment Insurance	74,709	1,791	32,751	(41,958)
01-30-310-500155	Retirement/CalPERS	157,481	134,794	156,625	(856)
01-30-310-500161	Estim Current Yr OPEB Expense	0	100,000	100,000	100,000
01-30-310-500165	Uniforms & Employee Benefits	500	767	750	250
01-30-310-500170	Education Expenses	2,000	398	2,000	0
01-30-310-500175	Seminar & Travel Expenses	11,000	14,377	15,000	4,000
01-30-310-500180	Accrued Sick Leave Expenses	0	34,780	27,897	27,897
01-30-310-500185	Accrued Vacation Expenses	0	118,092	103,444	103,444
01-30-310-500187	Accrual Leave Payments	0	0	40,781	40,781
01-30-310-500190	Temporary Labor	0	0	0	0
01-30-310-500195	CIP Related Labor	(25,000)	0	0	25,000
01-30-310-500196	CIP Related Overtime	0	0	0	0
01-30-310-520001	Maint & Rpr-Office Equipment	2,800	239	0	(2,800)
01-30-310-550001	Bank/Financial Service Fees	33,000	40,524	42,000	9,000
01-30-310-550006	Cashiering Shortages/Overages	50	0	50	0
01-30-310-550008	Transaction/Return Fees	0	0	3,000	3,000
01-30-310-550010	Transaction/Credit Card Fees	0	0	44,381	44,381
01-30-310-550014	Credit Check Fees	0	0	12,000	12,000
01-30-310-550018	Employee Medical/First Aid	200	0	200	0
01-30-310-550024	Employment Testing	200	155	200	0
01-30-310-550030	Membership Dues	35,000	41,632	42,000	7,000
01-30-310-550036	Notary & Lien Fees	2,000	1,765	2,000	0
01-30-310-550042	Office Supplies	15,000	13,616	10,500	(4,500)
01-30-310-550046	Office Equipment	65,000	31,248	40,000	(25,000)
01-30-310-550048	Postage	58,800	47,930	50,000	(8,800)
01-30-310-550051	Advertising	0	4,338	4,000	4,000
01-30-310-550054	Property, Auto & Gen Liab Insur	85,000	73,897	80,000	(5,000)
01-30-310-550066	Subscriptions	10,000	7,444	3,000	(7,000)
01-30-310-550072	Misc Operating Expenses	5,000	0	1,000	(4,000)
01-30-310-550078	Bad Debt Expense	5,000	0	5,000	0
01-30-310-550090	Principal Repayment	0	0	0	0
01-30-310-580021	IT/Software Support	30,000	33,893	0	(30,000)
01-30-310-580036	Other Professional Services	0	12,870	5,000	5,000
01-30-310-590001	Interest Expense	0	0	0	0
01-30-310-590011	Cost of Issuance Amortization	0	0	0	0
01-40-410-540084	State Mandates & Tariffs	50,000	68,142	70,000	20,000
01-40-470-501691	Maint & Rpr- Bldgs (General)	5,000	2,581	5,000	0
01-40-510-510031	Small Tools, Parts & Maint	1,500	5,383	500	(1,000)
01-50-510-540066	Property Damages & Theft	15,000	15,767	15,000	0
01-50-510-550040	General Supplies	9,000	10,902	11,000	2,000
01-50-510-550060	Public Education	10,000	1,320	5,000	(5,000)
01-50-510-550072	Misc Operating Expenses	4,500	0	1,000	(3,500)
		1,976,028	2,160,526	2,239,320	263,292

Expenses: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget

EXPENSES		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
BOARD OF DIRECTORS					
01-10-110-500101	Board of Directors Fees	36,000	26,600	36,000	0
01-10-110-500115	Social Security	2,235	1,637	2,235	0
01-10-110-500120	Medicare	525	386	525	0
01-10-110-500145	Workers' Compensation	485	258	520	35
01-10-110-500175	Seminar & Travel Expenses	10,000	140	10,000	0
01-10-110-550012	Election Expenses	0	54,827	20,000	20,000
01-10-110-550042	Supplies - Other	0	378	400	400
		49,245	84,225	69,680	20,435
MAINTENANCE AND GENERAL PLANT					
01-40-470-501111	Electricity - 560 Magnolia	23,600	21,547	23,000	(600)
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,930	2,400	600
01-40-470-501511	Phones - 560 Magnolia	20,000	16,083	0	(20,000)
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	15,117	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	2,200	2,659	2,159	(41)
01-40-470-501321	Propane - 12303 Oak Glen	120	0	114	(6)
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	390	1,200	0
01-40-470-501131	Electricity - 13695 Oak Glen	1,500	1,668	1,848	348
01-40-470-501331	Propane - 13695 Oak Glen	600	0	683	83
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	265	1,000	0
01-40-470-501141	Electricity - 13697 Oak Glen	2,200	2,945	2,818	618
01-40-470-501341	Propane - 13697 Oak Glen	600	0	618	18
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	1,132	500	0
01-40-470-501151	Elec - 9781 Avenida Miravilla	1,800	2,245	1,834	34
01-40-470-501351	Propane-9781 Avenida Miravilla	500	1,003	903	403
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	47	1,500	0
01-40-470-501161	Electricity - 815 E. 12th	6,000	5,181	6,000	0
01-40-470-501461	Sanitation - 815 E. 12th	3,600	3,100	4,050	450
01-40-470-501561	Phones - 815 E. 12th	1,800	4,514	0	(1,800)
01-40-470-501661	Maint & Repair- 815 E. 12th	5,000	4,894	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	3,023	3,200	0
01-30-310-550084	Depreciation	2,504,276	2,554,144	2,554,781	50,505
01-40-470-500105	Labor	32,000	37,950	0	(32,000)
01-40-470-500115	Social Security	1,700	2,353	0	(1,700)
01-40-470-500120	Medicare	400	550	0	(400)
01-40-470-500125	Health Insurance	11,000	17,090	0	(11,000)
01-40-470-500140	Life Insurance	200	173	0	(200)
01-40-470-500145	Workers' Compensation	2,500	2,089	0	(2,500)
01-40-470-500155	Retirement/CalPERS	9,950	6,805	0	(9,950)
01-40-470-501600	Property Maintenance & Repairs	5,000	0	0	(5,000)
01-40-470-510001	Auto/Fuel	75,000	66,842	75,000	0
01-40-470-510002	CIP Related Fuel	(15,000)	0	0	15,000
01-40-470-520011	Maint & Rpr-Safety Equipment	5,000	1,540	3,000	(2,000)
01-40-470-520031	Maint & Rpr-General Equipment	40,000	42,242	46,000	6,000
01-40-470-520041	Maint & Rpr-Fleet	55,000	46,237	50,000	(5,000)
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	5,353	5,500	3,000
01-40-470-540030	Landscape Maintenance	15,000	4,274	45,000	30,000
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	20,000	137,000	75,000	55,000
		2,859,246	3,012,382	2,929,108	69,862
ENGINEERING					
01-20-210-500105	Labor	300,701	244,425	391,181	90,480
01-20-210-500115	Social Security	17,876	16,176	24,489	6,613
01-20-210-500120	Medicare	4,363	3,783	5,730	1,367
01-20-210-500125	Health Insurance	48,576	28,336	43,440	(5,136)
01-20-210-500140	Life Insurance	956	596	1,524	568
01-20-210-500145	Workers' Compensation	4,491	3,312	5,842	1,351
01-20-210-500150	Unemployment Insurance	0	0	13,303	13,303
01-20-210-500155	Retirement/CalPERS	50,409	35,280	57,099	6,690
01-20-210-500165	Uniforms & Employee Benefits	50	0	50	0
01-20-210-500170	Education Expenses	2,500	0	5,000	2,500
01-20-210-500175	Seminar & Travel Expenses	500	70	1,000	500
01-20-210-500180	Accrued Sick Leave Expenses	0	16,230	16,230	16,230
01-20-210-500185	Accrued Vacation Expenses	0	13,127	13,127	13,127
01-20-210-500187	Accrual Leave Payments	0	0	2,657	2,657
01-20-210-500195	CIP Related Labor	(121,158)	(106,618)	(169,314)	(48,156)
01-20-210-550068	Software Maintenance	22,500	12,500	0	(22,500)
		331,764	267,217	411,357	79,593

Expenses: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget

EXPENSES		2017	2017	2018	
		ADOPTED	PROJECTED	PROPOSED	CHANGE
PROFESSIONAL SERVICES					
01-20-210-540012	Dev Reimbursable Engineering	15,000	0	0	(15,000)
01-20-210-540018	Grant & Loan Procurement	0	0	0	0
01-20-210-540048	Permits, Fees & Licensing	4,000	0	2,000	(2,000)
01-20-210-580031	Outside Engineering	50,000	5,368	60,000	10,000
01-20-210-580032	CIP Related Outside Engineering	(30,000)	0	(40,000)	(10,000)
01-30-310-580001	Accounting & Audit	36,000	29,544	35,000	(1,000)
01-30-310-580011	General Legal	150,000	60,620	150,000	0
01-50-510-550096	Beaumont Basin Watermaster	36,610	39,661	42,000	5,390
		<u>\$ 261,610</u>	<u>\$ 135,192</u>	<u>\$ 249,000</u>	<u>(12,610)</u>
INFORMATION TECHNOLOGY					
01-30-315-500105	Labor	0	0	118,311	118,311
01-30-315-500110	Overtime	0	0	0	0
01-30-315-500115	Social Security	0	0	7,802	7,802
01-30-315-500120	Medicare	0	0	1,825	1,825
01-30-315-500125	Health Insurance	0	0	21,720	21,720
01-30-315-500140	Life Insurance	0	0	780	780
01-30-315-500145	Workers' Compensation	0	0	1,709	1,709
01-30-315-500150	Unemployment Insurance	0	0	4,023	4,023
01-30-315-500155	Retirement/CalPERS	0	0	11,648	11,648
01-30-315-500175	Seminar & Travel Expenses	0	0	4,000	4,000
01-30-315-500180	Accrued Sick Leave Expenses	0	0	6,883	6,883
01-30-315-500185	Accrued Vacation Expenses	0	0	14,648	14,648
01-30-315-500187	Accrual Leave Payments	0	0	7,458	7,458
01-30-315-500190	Temporary Labor	0	0	0	0
01-30-315-500195	CIP Related Labor	0	0	(31,855)	(31,855)
01-30-315-501511	Phones - 560 Magnolia	0	0	25,200	25,200
01-30-315-501561	Phones - 815 E. 12th	0	0	2,800	2,800
01-30-315-550030	Membership Dues	0	0	2,000	2,000
01-30-315-550044	Printing/Toner & Maint	0	0	15,000	15,000
01-30-315-580016	Computer Hardware	0	0	20,000	20,000
01-30-315-580021	IT/Software Support	0	0	5,000	5,000
01-30-315-580026	License/Maintenance/Support	0	0	90,000	90,000
		<u>0</u>	<u>0</u>	<u>328,952</u>	<u>328,952</u>
		<u>\$ 11,515,786</u>	<u>\$ 13,341,224</u>	<u>\$ 13,718,669</u>	<u>\$ 2,202,883</u>

Appendix B

Summary of Account Descriptions



OPERATING REVENUE

WATER SALES

- 01-50-510-410100 — Sales** — Commodity charges for commercial, residential and landscape irrigation water usage.
- 01-50-510-410151 — Agricultural Irrigation Sales** — Commodity charges for irrigation water usage.
- 01-50-510-410171 — Construction Sales** — Commodity charges for water used for new construction and other purposes through portable fire hydrant meters.
- 01-50-510-413011 — Fixed Meter Charges** — Fixed service charges for installed meters.

DEVELOPMENT AND INSTALLATION CHARGES

- 01-50-510-413021 — Meter Fees** — Charges for new service installations.
- 01-50-510-419011 — Development Income** — Revenue earned and charged to deposits that were collected to cover engineering, legal and administrative costs associated with new development.

OTHER CHARGES FOR SERVICE

- 01-50-510-413001 — Backflow Administration Charges** — Administrative charge for required annual backflow program administration.
- 01-50-510-417001 — Second Notice Penalties** — Late fee assessed on delinquent accounts.
- 01-50-510-417011 — Third Notice Charges** — Fee associated with disconnection notices sent on delinquent accounts.
- 01-50-510-417021 — Account Reinstatement Fees** — Fees associated with the reinstatement of service when an account is inactivated due to non-payment.
- 01-50-510-417030 — Water Restriction Noncompliance 10% - 50%** — Fees assessed on accounts where water waste is deemed to have occurred.
- 01-50-510-417031 — Lien Processing Fees** — Fees associated with filing and releasing liens on delinquent accounts.
- 01-50-510-417041 — Credit Check Processing Fees** — Pass through charge to cover the cost of performing a credit check.
- 01-50-510-417051 — Returned Check Fees** — Pass through charges for payments returned by the bank as unpaid.
- 01-50-510-417061 — Customer Damages/Upgrade Charges** — Reimbursements for work performed when customers/developers cause damage to District property or customer requested changes such as meter relocation charges.
- 01-50-510-417071 — After-Hours Call Out Charges** — Reimbursement charge for after-hours services provided.
- 01-50-510-417081 — Bench Test Fees** — Fees for pulling a meter and bench testing it.
- 01-50-510-417091 — Credit Card Processing Fees** — Pass-through charge to cover the bank fees charged to the District for credit card processing.
- 01-50-510-419021 — Recharge Income** — Income received for the recharge of imported water from San Geronio Pass Water Agency (SGPWA) for the City of Banning.
- 01-50-510-419061 — Miscellaneous Income** — Receipts for miscellaneous, non-recurring revenues.

WATER IMPORTATION SURCHARGE

- 01-50-510-415001 — SGPWA Importation Charges** — Pass through charge to cover the cost of purchasing imported water.

WATER PUMPING ENERGY SURCHARGE

- 01-50-510-415011 — SCE Power Charges** — Pass through charge to cover the cost of electricity used for pumping water from wells and through the system.

NON-OPERATING REVENUE

RENTAL INCOME

- 01-50-510-471001 — Rent — 12303 Oak Glen Road** — Rental of District residential property.
- 01-50-510-471011 — Rent — 13695 Oak Glen Road** — Rental of District residential property.
- 01-50-510-471021 — Rent — 13697 Oak Glen Road** — Rental of District residential property.
- 01-50-510-471031 — Rent — 9781 Avenida Miravilla** — Rental of District residential property.
- 01-50-510-471101 — Utilities — 12303 Oak Glen Road** — Utility payments for District residential property.
- 01-50-510-471111 — Utilities — 13695 Oak Glen Road** — Utility payments for District residential property.
- 01-50-510-471121 — Utilities — 13697 Oak Glen Road** — Utility payments for District residential property.
- 01-50-510-471131 — Utilities — 9781 Avenida Miravilla** — Utility payments for District residential property.

FACILITIES CHARGES

- 01-50-510-481001 — Facility Fees – Wells** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new wells.
- 01-50-510-481006 — Facility Fees – Water Rights (SWP)** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for State Water Project water rights.
- 01-50-510-481012 — Facility Fees – Water Treatment Plant** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new water treatment plants.
- 01-50-510-481018 — Facility Fees – Local Water Resources** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for local water resources.
- 01-50-510-481024 — Facility Fees – Recycled Water Facilities** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new recycled water facilities.
- 01-50-510-481030 — Facility Fees – Transmission (16")** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new 16" transmission lines.
- 01-50-510-481036 — Facility Fees – Storage** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new storage facilities.
- 01-50-510-481042 — Facility Fees – Booster** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new booster stations.
- 01-50-510-481048 — Facility Fees – Pressure Reducing Stations** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new pressure reducing stations.
- 01-50-510-481054 — Facility Fees – Miscellaneous Projects** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, for miscellaneous projects not covered by other types of facilities fees.
- 01-50-510-481060 — Facility Fees – Financing Costs** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for costs of financing new facilities.
- 01-50-510-485001 — Front Footage Fees** — Charged to cover the cost of pipelines traveling along the frontage of properties requesting service.
- 01-50-510-488001 — Contributed Capital** — Fees and infrastructure contributed to enhance District facilities.

INTEREST EARNED

- 01-50-510-490001 — Interest Income - Bonita Vista** — Interest income on Bonita Vista note receivable.
- 01-50-510-490011 — Interest Income- Fairway Canyon** — Interest earned on the Fairway Canyon note receivable.
- 01-50-510-490021 — Interest Income- General** — Interest earned on District investments.

GRANT REVENUE

- 01-50-510-419051 — Grant Revenue** — Grant funding received.

OPERATING EXPENSES

SOURCE OF SUPPLY

The three digit department number 410 seen in this section of the General Ledger refers to the expenses incurred for the operation and maintenance of wells, tanks, purchase and extraction of water.

- 01-40-410-500105 — **Labor** — Wage expenses for this department.
- 01-40-410-500110 — **Overtime** — Overtime expenses for this department.
- 01-40-410-500111 — **Double-time** — Double-time expenses for this department.
- 01-40-410-500113 — **Standby/On-Call** — Expenses for minimum two-hour off-duty work for this department.
- 01-40-410-500115 — **Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-410-500120 — **Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-410-500125 — **Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-410-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-410-500145 — **Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-410-500150 — **Unemployment Insurance** — Cost of providing unemployment benefits for employees in this department.
- 01-40-410-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-410-500165 — **Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-410-500170 — **Education Expense** — Education expense reimbursement.
- 01-40-410-500175 — **Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-40-410-500180 — **Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-40-410-500185 — **Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-40-410-500187 — **Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-40-410-500195 — **CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-40-410-500501 — **State Project Water Purchases** — Costs associated with the purchase of imported water from the SGPWA.
- 01-40-410-500511 — **Groundwater Purchases** — Costs associated with the purchase of groundwater rights from South Mesa Mutual.
- 01-40-410-501101 — **Electricity - Wells** — Charges for power purchased from Southern California Edison to operate District pumping facilities.
- 01-40-410-501201 — **Gas - Wells** — Natural gas purchased for the operation of an emergency booster pump.
- 01-40-410-510011 — **Treatment and Chemicals** — Costs associated with the purchase of water treatment chemicals such as chlorine.
- 01-40-410-510021 — **Lab Testing** — Costs associated with water sample analysis conducted by outside laboratories.
- 01-40-410-510031 — **Small Tools, Parts and Maintenance** — Costs for minor repairs and small parts purchases.
- 01-40-410-520021 — **Maintenance and Repairs – Telemetry Equipment** — Costs associated with the maintenance and repair of the District's telemetry system.
- 01-40-410-520031 — **Maintenance and Repair – General Equipment** — Costs associated with the equipment, maintenance and repair incurred for the operation and maintenance of wells, tanks, purchase and extraction of water.
- 01-40-410-520061 — **Maintenance and Repair – Pumping Equipment** — Maintenance cost of pumping equipment, wells, booster and chlorination equipment.
- 01-40-410-540048 — **Permits, Fees and Licensing** — Costs of permits, fees and licensing for District facilities and operations.
- 01-40-410-550066 — **Subscriptions** — Costs of subscriptions for regulatory and technical updates.
- 01-40-410-550024 — **Employment Testing** — Costs associated with pre-employment and random drug testing.

TRANSMISSION AND DISTRIBUTION

The three digit departmental number 440 seen in this section of the General Ledger refers to the expenses incurred for the operation and maintenance of the infrastructure used to bring water from wells to storage tanks and from storage tanks to the consumers.

- 01-40-440-500105 — Labor** — Wage expenses for this department.
- 01-40-440-500110 — Overtime** — Overtime expenses for this department.
- 01-40-440-500111 — Double-time** — Double-time expenses for this department.
- 01-40-440-500113 — Standby/On-Call** — Expenses for minimum two-hour off-duty work for this department
- 01-40-440-500115 — Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-440-500120 — Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-440-500125 — Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-440-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-440-500145 — Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-440-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-440-500165 — Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-440-500170 — Education Expenses** — Education expense reimbursement.
- 01-40-440-500175 — Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-40-440-500180 — Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-40-440-500185 — Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-40-440-500187 — Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-40-440-500195 — CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-40-440-510031 — Small Tools, Parts and Maintenance** — Costs for minor repairs and small parts purchases.
- 01-40-440-520071 — Maintenance and Repair – Pipeline and Hydrants** — Costs associated with the maintenance and repair of pipelines and fire hydrants.
- 01-40-440-520081 — Maintenance and Repair – Pressure Regulators** — Costs associated with the repair and maintenance of pressure reducing valves (PRV's).
- 01-40-440-540001 — Backflow Devices** — Costs associated with maintenance done to District owned and operated backflow devices, as well as costs for the annual required testing of these devices.
- 01-40-440-540024 — Inventory Adjustments** — Costs associated with change in market value on inventory using an average-cost valuation method or costs associated with removing obsolete or damaged items from inventory.
- 01-40-440-540026 — Inventory Purchase Discounts** — Discounts taken on inventory purchases.
- 01-40-440-540036 — Line Locates** — Cost associated with the locating and marking of underground facilities.
- 01-40-440-540042 — Meters Maintenance and Services** — Costs associated with repair and maintenance of existing meters and services, in accordance with the District's meter change out program.
- 01-40-440-540078 — Reservoirs Maintenance** — Costs associated with the repair and maintenance of storage reservoirs and tanks.
- 01-40-440-550024 — Employment Testing** — Costs associated with pre-employment and random drug testing.

INSPECTIONS

The three digit departmental number 450 seen in this section of the General Ledger refers to the expenses incurred for the labor of the inspectors. These costs are typically recovered through inspection fees and development charges.

- 01-40-450-500105 — **Labor** — Wage expenses for this department.
- 01-40-450-500110 — **Overtime** — Overtime expenses for this department.
- 01-40-450-500115 — **Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-450-500120 — **Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-450-500125 — **Health Insurance** — Cost of providing health insurance to employees in this department.
- 01-40-450-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-450-500145 — **Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-450-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-450-500165 — **Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.

CUSTOMER SERVICE AND METER READING

The three digit departmental number 460 seen in this section of the General Ledger refers to the expenses incurred for the labor of the meter readers and the field customer service representative.

- 01-40-460-500105 — **Labor** — Wage expenses for this department.
- 01-40-460-500110 — **Overtime** — Overtime expenses for this department.
- 01-40-460-500111 — **Double-time** — Double-time expenses for this department.
- 01-40-460-500113 — **Standby/On-Call** — Expenses for minimum two-hour off-duty work for this department.
- 01-40-460-500115 — **Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-460-500120 — **Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-460-500125 — **Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-460-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-460-500145 — **Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-460-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-460-500165 — **Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-460-500170 — **Education Expenses** — Education expense reimbursement.
- 01-40-460-500175 — **Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-40-460-500180 — **Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-40-460-500185 — **Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-40-460-500187 — **Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-40-460-500195 — **CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-40-460-550024 — **Employment Testing** — Costs associated with pre-employment and random drug testing.

FINANCE AND ADMINISTRATIVE SERVICES EXPENSES

The three digit departmental number 310 seen in this section of the General Ledger refers to the expenses incurred for Finance and Administrative Services as well as General District expenses.

- 01-30-310-500105 — Labor** — Wage expenses for this department.
- 01-30-310-500110 — Overtime** — Overtime expenses for this department.
- 01-30-310-500115 — Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-30-310-500120 — Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-30-310-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.
- 01-30-310-500130 — CalPERS Health Administration Costs** — Administrative fees charged for CalPERS health insurance.
- 01-30-310-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-30-310-500145 — Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-30-310-500150 — Unemployment Insurance** — Cost of providing unemployment benefits for employees in this department.
- 01-30-310-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-30-310-500161 — Estimated Current Year OPEB Expenses** — Actuarially-determined Annual OPEB Expense for retiree health benefits provided by the District. It is calculated as the Annual Required Contribution (ARC), plus the interest cost on the beginning Net OPEB Obligation, plus or minus the ARC adjustment.
- 01-30-310-500165 — Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-30-310-500170 — Education Expenses** — Education expense reimbursement.
- 01-30-310-500175 — Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-30-310-500180 — Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-30-310-500185 — Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-30-310-500187 — Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-30-310-500190 — Temporary Labor** — Labor expenses for the use of temporary employees.
- 01-30-310-500195 — CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-30-310-500196 — CIP Related Overtime** — Overtime expenses for a Capital Improvement Project in this department.
- 01-30-310-520001 — Maintenance and Repair – Office Equipment** — Costs associated with the repair and maintenance of various office equipment including the phone system, computers, mailing equipment and copier machines.
- 01-30-310-550001 — Bank/Financial Service Fees** — Service fees associated with District bank deposit accounts.
- 01-30-310-550006 — Cashiering Shortages/Overages** — Accounts for cash shortages and overages at the three cashiering windows.
- 01-30-310-550008 — Transaction/Return Fees** — Fees Bank fees charged for payments returned by the bank as unpaid.
- 01-30-310-550010 — Transaction/Credit Card Fees** — Bank fees charged to the District for credit card processing.
- 01-30-310-550014 — Credit Check Fees** — Costs of performing credit checks for water service applicants.
- 01-30-310-550018 — Employee Medical/First Aid** — Cost of supplies for First Aid kits located in District Offices.
- 01-30-310-550024 — Employment Testing** — Cost associated with pre-employment and random drug testing.
- 01-30-310-550030 — Membership Dues** — Membership dues for associations including the Beaumont Chamber of Commerce, Cherry Valley Chamber of Commerce and the California Special District Association, ACWA, AWWA and finance related associations.
- 01-30-310-550036 — Notary and Lien Fees** — Fees associated with filing and releasing liens on delinquent accounts.

- 01-30-310-550042 — Office Supplies** — Cost of miscellaneous office supplies.
- 01-30-310-550046 — Office Equipment** — Costs that are part of service and/or lease agreements for the office equipment.
- 01-30-310-550048 — Postage** — Costs such as postage for regular and delinquent utility bills as well as daily correspondence.
- 01-30-310-550051 — Advertising** — Cost associated with advertising notices inviting bids, unclaimed funds, etc.
- 01-30-310-550054 — Property, Auto and General Liability Insurance** — Annual insurance premiums covering District properties and facilities.
- 01-30-310-550066 — Subscriptions** — Costs associated with subscriptions to regulatory and technical materials. Also includes cost for accessing credit verification information.
- 01-30-310-550072 — Miscellaneous Operating Expenses** — Miscellaneous expenses include expenses which do not fall directly under another general ledger account.
- 01-30-310-550078 — Bad Debt Expense** — Cost of providing water service to accounts which are deemed to be uncollectible.
- 01-30-310-550090 — Principal Repayment** — Principal payment expense for notes or bonds payable.
- 01-30-310-580021 — IT/ Software Support** — Annual support fee for the District's municipal software.
- 01-30-310-580036 — Other Professional Services** — Costs associated with outside legal, engineering and auditing services.
- 01-30-310-590001 — Interest Expense** — Interest expense for notes or bonds payable.
- 01-30-310-590011 — Cost of Issuance Amortization** — Allocation of cost of issuance expenses for notes or bonds payable.
- 01-40-410-540084 — State Mandates and Tariffs** — Expenses include National Pollutant Discharge Elimination System (NPDES) permit fees and water system fees to the California Department of Public Health as well as all permits and annual reports mandated by other Regulatory Agencies.
- 01-40-470-501691 — Maintenance and Repair – Buildings (General)** — Costs associated with items such as the cleaning service who cleans all District offices and routine maintenance such as A/C repairs and plumbing problems.
- 01-40-510-510031 — Small Tools, Parts and Maintenance** — Cost of general tools used for District operations not specifically associated with any one project.
- 01-50-510-540066 — Property Damage and Theft** — Costs associated with small claims on the District for property damage.
- 01-50-510-550040 — General Supplies** — Cost of general supplies used for District operations not specifically associated with any one project.
- 01-50-510-550060 — Public Education** — Costs such as the mandated Annual Consumer Confidence Report (Water Quality Report).
- 01-50-510-550072 — Miscellaneous Operating Expenses** — Expenses which do not fall directly under another general ledger account.

BOARD OF DIRECTORS EXPENSES

- 01-10-110-500101 — Board of Director Fees** — Each Director can be paid per diem for attendance at meetings/days of service.
- 01-10-110-500115 — Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-10-110-500120 — Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-10-110-500145 — Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-10-110-500175 — Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for board members.
- 01-10-110-550012 — Election Expenses** — Costs associated with directorial elections.
- 01-10-110-550042 — Supplies - Other** — Cost of supplies used by Directors such as name placards and business cards.

MAINTENANCE and GENERAL PLANT EXPENSES

DISTRICT OFFICE – 560 MAGNOLIA AVE

- 01-40-470-501111 — Electricity – 560 Magnolia Avenue** — Electricity for the main District Office.
- 01-40-470-501411 — Sanitation – 560 Magnolia Ave** — Sewer and Refuse for the main District Office.
- 01-40-470-501511 — Phones – 560 Magnolia Ave** — Phone and communication services for office and field operation.
- 01-40-470-501611 — Maintenance and Repair – 560 Magnolia Ave** — Maintenance and repairs performed at the District Office. Routine maintenance to A/C unit and plumbing issues which arise make up the expenses in this category.

DISTRICT PROPERTY - 12303 OAK GLEN ROAD

- 01-40-470-501121 — Electricity – 12303 Oak Glen Rd** — Electricity for District residence.
- 01-40-470-501321 — Propane – 12303 Oak Glen Rd** — Propane purchased for District residence.
- 01-40-470-501621 — Maintenance and Repair – 12303 Oak Glen Rd** — Maintenance and repairs performed at District residence.

DISTRICT PROPERTY - 13695 OAK GLEN ROAD

- 01-40-470-501131 — Electricity – 13695 Oak Glen Rd** — Electricity for District residence.
- 01-40-470-501331 — Propane – 13695 Oak Glen Rd** — Propane purchased for District residence.
- 01-40-470-501631 — Maintenance and Repair – 13695 Oak Glen Rd** — Maintenance and repairs performed at the District residence.

DISTRICT PROPERTY - 13697 OAK GLEN ROAD

- 01-40-470-501141 — Electricity – 13697 Oak Glen Rd** — Electricity for District residence.
- 01-40-470-501341 — Propane – 13697 Oak Glen Rd** — Propane purchased for District residence.
- 01-40-470-501641 — Maintenance and Repair – 13697 Oak Glen Rd** — Maintenance and repairs performed at the District residence.

DISTRICT PROPERTY - 9781 AVENIDA MIRAVILLA

- 01-40-470-501151 — Electricity – 9781 Avenida Miravilla** — Electricity for District residence.
- 01-40-470-501351 — Propane – 9781 Avenida Miravilla** — Propane purchased for District residence.
- 01-40-470-501651 — Maintenance and Repair – 9781 Avenida Miravilla** — Maintenance and repairs performed at the District residence.

DISTRICT FIELD OFFICE - 815 E. 12TH STREET

- 01-40-470-501161 — Electricity – 815 E. 12th Street** — Electricity for the field office.
- 01-40-470-501461 — Sanitation – 815 E. 12th Street** — Sewer/Refuse and trash bin for field office.
- 01-40-470-501561 — Phones – 815 E. 12th Street** — There are both internet services (telemetry and District network) and fax services at the field office.
- 01-40-470-501661 — Maintenance and Repair – 815 E. 12th Street** — Maintenance and Repair performed at the field office, including monthly cleaning services.

DISTRICT PROPERTY - 11083 CHERRY AVENUE

- 01-40-470-501471 — Sanitation – 11083 Cherry Ave** — Trash bin located at Cherry Yard.

MAINTENANCE AND GENERAL PLANT EXPENSES

- 01-30-310-550084 — Depreciation** — Annual depreciation expenses on capital assets.
- 01-40-470-500105 — Labor** — Wage expenses for this department.
- 01-40-470-500115 — Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-470-500120 — Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-470-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.

- 01-40-470-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-470-500145 — Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-470-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-470-501600 — Property Maintenance and Repairs** — Maintenance work performed on the various District owned buildings (wells, pressure regulation stations, booster pumps, etc.).
- 01-40-470-510001 — Auto/Fuel** — Fuel purchased for District fleet vehicles.
- 01-40-470-510002 — CIP Related Fuel** — Fuel purchased for Capital Improvement Projects.
- 01-40-470-520011 — Maintenance and Repair – Safety Equipment** — Costs for safety items such as barricades, safety vests, etc. District keeps on-hand inventory; purchases would be only to replenish worn out items.
- 01-40-470-520031 — Maintenance and Repair – General Equipment** — Costs associated with preventative maintenance performed on District equipment.
- 01-40-470-520041 — Maintenance and Repair – Fleet** — Costs of oil changes, preventative maintenance, etc. for all fleet vehicles, as well as the car cleaning service which cleans all District fleet vehicles.
- 01-40-470-520091 — Maintenance and Repair – Communication Equipment** — Cost of repair and maintenance of District radio equipment.
- 01-40-470-540030 — Landscape Maintenance** — This is the landscape maintenance performed at the various District facilities.
- 01-40-470-540072 — Recharge Facility, Canyon and Pond Maintenance** — Costs associated with the maintenance necessary for the basins at the recharge project and basins located in Edgar Canyon.

ENGINEERING EXPENSES

The three digit departmental number 210 seen in this section of the General Ledger refers to the expenses incurred for the labor of the Engineering staff.

- 01-20-210-500105 — Labor** — Wage expenses for this department.
- 01-20-210-500115 — Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-20-210-500120 — Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-20-210-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.
- 01-20-210-500140 — Life Insurance** — District paid life insurance through Standard Life Insurance offered to each full time employee. This category total reflects activity for this department only.
- 01-20-210-500145 — Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-20-210-500150 — Unemployment Insurance** — Cost of providing unemployment benefits for employees in this department.
- 01-20-210-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-20-210-500165 — Uniforms and Employee Benefits** — Yearly each employee is given a boot allowance as well as uniforms to be cleaned, mended and maintained by employees.
- 01-20-210-500170 — Education Expenses** — Education expense reimbursement.
- 01-20-210-500175 — Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-20-210-500180 — Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-20-210-500185 — Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-20-210-500187 — Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-20-210-500195 — CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-20-210-550068 — Software Maintenance** — This category total reflects software licensing activity for this department only.

PROFESSIONAL SERVICES EXPENSES

The section of the General Ledger refers to the expenses incurred for Professional Expenses.

- 01-20-210-540012 — Development Reimbursable Engineering** — This section includes all engineering required to be reimbursed by development for plan checks and plan processing.
- 01-20-210-540018 — Grant and Loan Procurement** — This section includes all procurement costs for grants and loans.
- 01-20-210-540048 — Permits, Fees and Licensing** — This includes all engineering costs associated with non-potable water.
- 01-20-210-580031 — Outside Engineering** — This section includes any contract engineering work performed by outside vendors.
- 01-20-210-580032 — CIP Related Outside Engineering** — This section includes any contract engineering work performed by outside vendors on Capital Improvement Projects.
- 01-30-310-580001 — Accounting and Audit** — Includes costs associated with audits of District financials.
- 01-30-310-580011 — General Legal** — Costs associated with day to day operations may include litigation expenses not associated with Capital Improvements (property acquisitions etc.).
- 01-50-510-550096 — Beaumont Basin Watermaster** — This section accounts for the District's cost of participation in the Beaumont Basin Watermaster.

INFORMATION TECHNOLOGY EXPENSES

The three digit departmental number 315 seen in this section of the General Ledger includes the administrative salaries, employee benefits, operating supplies, and other expenses associated with the information technology function of the District.

- 01-30-315-500105 — Labor** — Wage expenses for this department.
- 01-30-315-500110 — Overtime** — Overtime expenses for this department.
- 01-30-315-500115 — Social Security** — This category reflects the District's portion of Social Security (FICA).
- 01-30-315-500120 — Medicare** — This category reflects the District's portion of Medicare.
- 01-30-315-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.
- 01-30-315-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-30-315-500145 — Workers' Compensation** — This category includes standard charges paid for employees in this department to the District's insurance carrier.
- 01-30-315-500150 — Unemployment Insurance** — Cost of providing unemployment benefits for employees in this department.
- 01-30-315-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-30-315-500175 — Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-30-315-500180 — Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-30-315-500185 — Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-30-315-500187 — Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-30-315-500190 — Temporary Labor** — Labor expenses for the use of temporary employees.
- 01-30-315-500195 — CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-30-315-501511 — Phones – 560 Magnolia Ave** — Phone and communication services for office and field operation.
- 01-30-315-501561 — Phones – 815 E. 12th Street** — There are both internet services (telemetry and District network) and fax services at the field office.

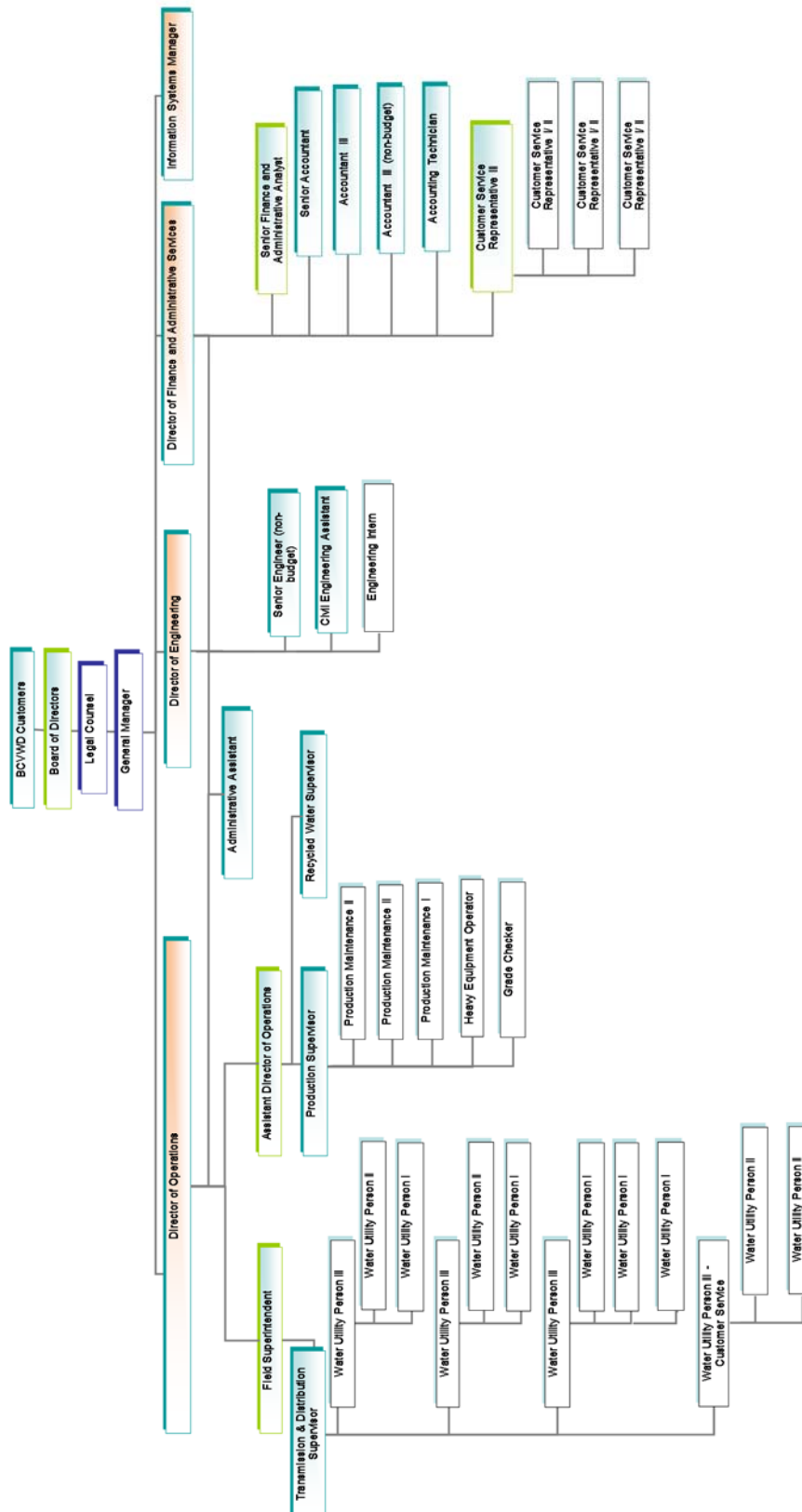
- 01-30-315-550030 — Membership Dues** — Membership dues for information technology related associations such as Multi-State Information Sharing & Analysis Center (MS-ISAC) and Municipal Information Systems Association of California (MISAC).
- 01-30-315-550044 — Printing/Toner and Maintenance** — Costs associated with toner supplies, imaging, or enterprise printers.
- 01-30-315-580016 — Computer Hardware** — Costs for general information technology hardware related items such as cables, wire management, keyboards, mouse, computer repair components.
- 01-30-315-580021 — IT/Software Support** — Costs for general information technology software related items.
- 01-30-315-580026 — License/Maintenance/Support** — Costs for information technology related license renewals, maintenance agreements and renewals and Annual Support Agreements.

Appendix C

Organization Overview



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2018 Salary Schedule

Beaumont-Cherry Valley Water District Salary Schedule							
Effective: January 1, 2018	Hourly Rates					Annual Range	
Classification	1	2	3	4	5		
Customer Service Representative I	16.67	17.50	18.38	19.30	20.26	34,673.60	42,140.80
Water Utility Person I	17.14	18.00	18.90	19.85	20.84	35,651.20	43,347.20
Production Maintenance I	19.10	20.06	21.06	22.11	23.22	39,728.00	48,297.60
Customer Service Representative II	19.61	20.59	21.62	22.70	23.84	40,788.80	49,587.20
Water Utility Person II	20.17	21.18	22.24	23.35	24.52	41,953.60	51,001.60
Administrative Assistant	20.55	21.58	22.66	23.79	24.98	42,744.00	51,958.40
Production Maintenance II	22.48	23.60	24.78	26.02	27.32	46,758.40	56,825.60
Water Utility Person III	22.48	23.60	24.78	26.02	27.32	46,758.40	56,825.60
Customer Service Representative III	24.89	26.13	27.44	28.81	30.25	51,771.20	62,920.00
Accounting Technician	25.26	26.52	27.85	29.24	30.70	52,540.80	63,856.00
Grade Checker (1000 HR)	28.79	30.23	31.74	33.33	35.00	59,883.20	72,800.00
Transmission & Distribution Supervisor	30.44	31.96	33.56	35.24	37.00	63,315.20	76,960.00
Recycled Water Supervisor	30.44	31.96	33.56	35.24	37.00	63,315.20	76,960.00
Production Supervisor	30.44	31.96	33.56	35.24	37.00	63,315.20	76,960.00
Heavy Equipment Operator (1000 HR)	31.27	32.83	34.47	36.19	38.00	65,041.60	79,040.00
Civil Engineering Assistant	31.51	33.09	34.74	36.48	38.30	65,540.80	79,664.00
Accountant III	33.35	35.02	36.77	38.61	40.54	69,368.00	84,323.20
Senior Accountant	35.02	36.77	38.61	40.54	42.57	72,841.60	88,545.60
Sr. Finance and Administrative Analyst	39.02	40.97	43.02	45.17	47.43	81,161.60	98,654.40
Assistant Director of Operations	39.85	41.84	43.93	46.13	48.44	82,888.00	100,755.20
Field Superintendent	39.85	41.84	43.93	46.13	48.44	82,888.00	100,755.20
Information Systems Manager	46.79	49.13	51.59	54.17	56.88	97,323.20	118,310.40
Senior Engineer	51.63	54.21	56.92	59.77	62.76	107,390.40	130,540.80
Director of Operations	57.97	60.87	63.91	67.11	70.47	120,577.60	146,577.60
Director of Finance and Administrative Services	59.35	62.32	65.44	68.71	72.15	123,448.00	150,072.00
Director of Engineering	60.73	63.77	66.96	70.31	73.83	126,318.40	153,566.40
General Manager	79.14	83.10	87.25	91.61	96.19	164,611.20	200,075.20
Board of Directors	\$200 per day for meeting attendance in accordance with District rules						